

CHILDREN - ORPHANAGES

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WOODSTOCK REPORT

December 1994, No. 40

Woodstock Theological Center

Georgetown University

Washington, DC

From the Director's Desk. . .

This issue of the *Woodstock Report* is devoted to one of the most pressing issues in our country today: the family—its shape, its health and its values. The insightful presentations you find here, in abridged and edited form, were made at a Woodstock Forum this October entitled "The American Family: A Community in Crisis." After an introduction by Laura Gellott, Jean Bethke Elshtain describes vividly and substantiates statistically the depth of the crisis. Woodstock fellow Leon Hooper then reflects on the family situation from a theological point of view. Finally, John Carr offers some recommendations for responding constructively to the current crisis in family life.

A key reason the family is such an important reality is that "as goes the family, so goes society at large"—or, perhaps more accurately, "so goes humanity at large." The human family is made up of billions of families, the way the human body is made up of millions (billions?) of cells. The "body" of the human family is **not** made of isolated individuals; it is made of families and family members. There is not a single human being on earth—today or at any time—who is not a "family member" by physical birth, human relatedness, and cultural development. We are flesh of one another's flesh, blood of blood. We could not speak without the language we inherit from one another, and without that language we could not form concepts, think, or express ourselves. We are radically and socially interdependent.

Thomas Aquinas long since reminded us that we humans are "essentially social beings." *Homo est essentialiter socialis*. As individual persons, we grow and mature only to the extent that and in proportion as we work to build up the various social communities of which we are members—family first, neighborhood, church, other voluntary associations, business or workplace, city, nation, and international community.

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We grow together or not at all. It is in social growth, not "self-improvement" that we, altogether, find salvation. And the family is the primary and special place where it all begins. Living family life can be an enormous joy and it can demand great sacrifice. Either way, its preservation and progress is our basic calling.

Also in this issue is an introduction of three new fellows who have joined us at the Woodstock Center: Monsignor Richard M. Liddy, R. Randall Rainey, S.J., and J. Michael Stebbins.

And, finally, we reproduce in this issue the letter you may have received in our annual mail appeal. The theme is hope, and the image is an ember—smoldering but ready to burst forth into flame. To sustain our mission of hope and service, we at Woodstock depend upon and are deeply grateful for your financial support.

Prayers for a joyous Christmas and holiday season,

James L. Connor, S.J.

TALKING POINTS -- ORPHANAGES

* The plight of children at risk has been a subject of discussion among policymakers and advocates for many years. But recently the debate has taken on a cynical tone.

* To suggest that the children of young welfare mothers would be better off in orphanages is not only cruel and demeaning to an entire group in our society, but also contrary to the ideal of family we are striving so hard to uphold as Americans.

Because a young woman is poor does not automatically mean she is a neglectful parent. Certainly, poverty and unemployment make parenting a tougher job. But they are not sure predictors that a mother will abuse or neglect her child. That view is so widely held in our society that, throughout years of discussion and debate, no credible voice has ever suggested that poverty be the sole criterion for taking children from their mothers.

* As a compassionate voice for children and families for more than two decades, Hillary Rodham Clinton does not want to honest discussion of the problems afflicting children succumb to political opportunism. Concerned about the false assumptions included in Congressman Gingrich's proposal, Mrs. Clinton recently reiterated the widely held belief that poverty does not equal neglect. Any suggestion of tearing apart welfare families and putting kids in orphanages was, she said, "outrageous and absurd."

* As the discussion of children evolves in the coming months, it will be important to remember that nearly all liberals and conservatives -- and nearly all Americans -- believe family is the best place to raise children. Over the years, Mrs. Clinton has stated in legal opinions and speeches that a child should only be separated from a parent and placed in an out-of-family setting in the most extreme, dangerous, and egregious cases.

* Mrs. Clinton's position was attacked at the 1992 GOP convention as "anti-family." Yet today, Republican politicians have endorsed the idea of tearing families apart solely on the basis of a mother's income.

* Neglect, abuse, and other mistreatment of children is not a simple problem and simplistic solutions should be avoided. We are learning that children often grow up in unsafe and unhealthy circumstances because their parents lack resources, are isolated, have no access to services, or live in violent communities. Given the complex factors that contribute to child neglect and abuse cases, it's easy to understand that no single approach will work in every case.

* For example, foster care works for some children, not for

others. Group homes are successful with some children, but not for all. To suggest, as Congressman Gingrich did, that all orphanages are as safe and nurturing as the "Boys Town" depicted in a Hollywood movie is a gross distortion of reality. Real life is not always like the movies.

* Every child deserves the hope of growing up in a family and a safe and decent living environment. Most important for our children today is to find ways that, first and foremost, strengthen families -- and the institutions that traditionally supported families over the years and help parents raise children.

* We should unite on behalf of children to find ways to encourage and support family life, rather than allow ourselves to be divided along political or ideological lines.

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Welfare: A Case in Point ...

PEOPLE WHO saw the telecasts or read about the scantily dressed 18-month-old girl found abandoned in the middle of a busy intersection at 12:45 a.m. Friday will be relieved to know that she is in very good physical condition. She is in good condition—despite having been left outside in freezing temperature dressed only in T-shirts, pants and a diaper—because of the quick work of a patrolling D.C. mobile hypothermia unit, which saved her from any long-term ill effects, or worse. Perhaps less noticeable is what happened to the infant after she was examined and released from Children's Hospital. She ended up where some of the District's most fragile residents are often sent: at St. Ann's Infant and Maternity Home in Hyattsville. That's because St. Ann's is a longstanding place of refuge for many of the city's abused, neglected and abandoned children, or children whose parents simply cannot care for them.

Since Election Day, politicians have been engaged in a largely self-serving debate about what to do with children caught in the welfare trap. Each side has been behaving as if it had discovered a political gold mine, each mischaracterizing the other's position, perhaps because it has failed to understand what the other is saying or perhaps because it refuses to listen. Hillary Rodham Clinton suggests in a Newsweek article this week that Republicans want to take children from their parents and put them in "orphanages solely because they were born out of wedlock and the parents are poor." Surely she knows better than that, or at least she should. But liberals dissenting from some of the Republican welfare proposals to remove children from homes where they can't be cared for have fared no better. They find themselves unfairly dismissed as knee-jerk protectors of a failed welfare system that encourages illegitimacy. Both sides are framing the

debate in terms that contribute little to understanding the problem. The harsh reality is that today—as symbolized in the case of the abandoned infant—thousands of children are being forced to live away from their homes because of the way they have been treated by their own families.

This city is full of traumatized children who are too hurt to know how to hug, who have seen people shot down, who have watched drugs being consumed, who bear the scars inflicted by angry grown-ups. Isolated cases? Would that it were so. A tour of the city's overburdened social services units will quickly rid you of that notion. So will a night visit to St. Ann's.

Mrs. Clinton warns: "We should never permit children to be taken from their families simply because the parents are poor, unmarried or lacking education." No one is proposing that. Besides, kids aren't going to St. Ann's for those reasons. In Friday's case, according to a city welfare official, the child was put out in the street and left to fend for herself by an older relative. The child's mother, on welfare, is—again according to the official—believed to be unable to properly care for her child at this time. That is why the infant joined other children in the shelter of St. Ann's.

To make a strong case for temporary, transitional facilities that can take in vulnerable children is not to abandon counseling and therapeutic programs for troubled parents, or to walk away from family reunification programs. They are badly needed. The example of St. Ann's and the infant is, however, a useful reminder of what a retired judge who worked with badly abused children said a few years ago: "all institutions are not bad; all families are not good." That is the realistic way to approach this debate.

*unfair characterizing
of both parties*

... And the Governors' Debate

THE NATION'S governors have long played an important role in formulating federal policy. But with the Republican takeover of Congress, the governors are beginning to act like a new branch of the federal government, thrashing out issues in an open and (unusual for them) rather partisan way. Thus did the chairman of the National Governors' Association, Democrat Howard Dean of Vermont, unload on some of his Republican colleagues for a tentative proposal they reached with Republican congressional leaders on welfare. The plan, far from final, would replace hundreds of welfare, nutrition and job training programs with cash grants—"block grants"—to the states. Mr. Dean and other Democratic governors feel excluded from these discussions. The Vermont governor charged that

spending levels on these programs, shave them by, say, 10 percent and ship the resulting amounts off to the states. It sounds good, "entitlements" being a bad word these days. But the governors should think twice. "Block grants" are inevitably based on some set of federal statistics, often outdated, on a state's level of need. The formulas that use these statistics are inevitably the product of elaborate negotiations based on the current political climate, which may have little to do with tomorrow's economic patterns. "Entitlement" programs have the virtue of adjusting to economic conditions—money follows individuals who meet certain requirements of need.

So if Wisconsin suddenly has more poor and unemployed people, federal spending on food

COMMENTS ON ORPHANAGES

REPUBLICANS ACKNOWLEDGE THE ORPHANAGES PROPOSAL:

Sen. Bob Dole:

"I'm not certain about the orphanages or moving back to private charities. That may not be enough to cope with the problem... I think orphanages would be going a bit too far, but I'm not trying to pick a fight with Newt Gingrich." (Dole on CNN's "Late Edition," 11/13/94)

"Dole also has not said how far he wants to go on welfare reform -- though he has said Gingrich's idea of getting orphanages to help care for children born out of wedlock is too far." (Washington Post, 11/22/94)

Rep. Clay Shaw:

"Rep. Clay Shaw Jr. of Florida is among those Republicans who said that Mr. Gingrich's plan to substitute orphanages for welfare checks could prove 'unduly harsh.'" (New York Times, 11/13/94)

Sen. Phil Gramm:

"I'm not interested in orphanages... I (don't) believe in taking people away from their mothers." (USA Today, 12/1/94)

Sen. Nancy Kassebaum:

"Kassebaum says it is 'unrealistic' to expect private charities to step in and care for people whose benefits might be cut, as House Speaker-to-be Newt Gingrich has suggested." (USA Today, 12/21/94)

PRESS COVERAGE OF THE ORPHANAGES PROPOSAL:

"Three weeks ago, the discussion on NBC's 'Meet the Press' had turned to institutions and welfare reform. For months, Mr. Gingrich had suggested that a strict time limit be set on welfare benefits and that children could be taken from parents left without income, if necessary. The children, he said, could be placed in orphanages or foster care." (Dallas Morning News, 12/5/94)

"Alarms are being raised by another Gingrich suggestion for removing children from parents who are on long-term welfare and putting them into state orphanages. Use of the word orphanages has raised the specter of Dickensian horrors. But Tony Blankely, Mr. Gingrich's spokesman, says the institutions would be better than

conditions facing babies in the worst parts of US cities and 'they won't have to worry about being shot.'" (The Times, 11/16/94)

"Incoming House Speaker Newt Gingrich (R-GA) has spoken of cutting off welfare checks to unwed teenage mothers and, if necessary, rearing their children in orphanages." (Atlanta Journal and Constitution, 11/20/94)

"On NBC's "Meet the Press," Gingrich defended his proposal to deny aid to teenage mothers and to use that money instead to promote orphanages, group homes for unwed mothers and adoption." (St. Louis Dispatch, 12/5/94)

"House Speaker-to be Newt Gingrich insists orphanages are a valid answer for the nation's welfare children and says First Lady Hillary Rodham Clinton should see the film version before criticizing his plan." (USA Today, 12/5/94)

"Rep. Talent would permanently deny payments to children born to mothers younger than 26. States could use the money instead to care for children in orphanages or other group settings." (Houston Chronicle, 11/20/94)

"New House Speaker Newt Gingrich champions the idea (of orphanages) for kids he says could suffer after their kids lose welfare." USA Today, 12/6/94

GINGRICH ON ORPHANAGES:

(See attached).

REPUBLICAN QUOTES ON OUT-OF-HOME PLACEMENTS FOR POOR CHILDREN

For more information, call Amy Busch at 690-6853 or Lisa Gilmore at 690-6035.

Representative Newt Gingrich

Gingrich, who seems to delight in his role as public provocateur, refused to surrender or even take cover. He argued that orphanages could provide stability and safety for children from drug- and crime-infested neighborhoods. He called on the first lady to watch "Boys Town," thus prompting Turner's invitation.

— The Plain Dealer, December 27, 1994

... Three weeks ago, the discussion on NBC's Meet the Press had turned to institutions and welfare reform. For months, Mr. Gingrich had suggested that a strict time limit be set on welfare benefits and that children could be taken from parents left without income, if necessary. The children, he said, could be placed in orphanages or foster care.

An interviewer confronted the Georgia Republican with a statement by first

... proposal "unbelievable and absurd."

"I'd ask her to go to Blockbuster and rent the Mickey Rooney movie about Boys Town," Mr. Gingrich replied.

— The Dallas Morning News December 25, 1994, Sunday, HOME FINAL EDITION

What prompted the revival of the orphanage image and the controversy that has accompanied it were remarks by incoming House Speaker Newt Gingrich suggesting that children taken from "welfare mothers" could be placed in orphanages "where they would at least have food, shelter and not get shot at."

What Gingrich meant by the remark, uttered at a Washington Post luncheon, has been the subject of much interpretation. The first lady, for instance branded the idea "unbelievable" and "absurd." Her husband commented in his weekly radio address that children shouldn't be taken from "loving families." No one would disagree with that position.

— THE ARIZONA REPUBLIC December 18, 1994 Sunday, Final Chaser
SECTION: EDITORIAL/OPINION; Pg. F4 HEADLINE: DICKENS OR 'BOYS TOWN'?;
IN DEFENSE OF ORPHANAGES

Orphanage was the wrong word, Gingrich said at a Washington Post lunch, but he is not retreating on the concept that children should be removed from

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environments where they are neglected or abused and have no chance to thrive.

— The Buffalo News December 16, 1994, Friday, City Edition

SECTION: VIEWPOINTS; Pg. 3 HEADLINE: NEWT'S ORPHANAGE IDEAS NOT AS ODD AS THEY SEEM BYLINE: Mary McGrory, Universal Press Syndicate DATELINE: WASHINGTON

... on orphanages, which he said had been the victim of "grotesque distortion" by the news media and the White House.

In extended remarks, Mr. Gingrich said he proposed that states be allowed to experiment with varying ways of tending to displaced and abused children -- including, he said, orphanages or youth hostels -- in contrast to a welfare system that encourages that children be placed with their parents or in foster homes.

Mr. Gingrich said that he had adopted the idea from William Bennett, the conservative scholar and former Education Secretary, and that he believed it might be preferable to a system that now emphasized keeping young people in environments that are breeding grounds for crime and social problems.

— The New York Times December 7, 1994, Wednesday, Late Edition - Final

SECTION: Section B; Page 11; Column 4; National Desk

HEADLINE: Team in Place, Gingrich Comes Out Slugging

BYLINE: By MICHAEL WINES, Special to The New York Times

DATELINE: WASHINGTON, Dec. 6

Q Mr. Gingrich, may I ask a question?

REP. GINGRICH: Sure.

Q (Off mike) -- the other one was a five-year-old -- (inaudible) -- who was thrown out of a building and his eight-year-old cousin tried to -- (inaudible) -- first appeal and wouldn't do it, and his mother and his aunt tried --

(inaudible) -- how are those two people going to be helped by your orphanages?

REP. GINGRICH: Let me make a point here, because this again is one of those examples where something I'm very prepared to defend suddenly becomes a symbol and then the White House distorts it into Dickens revisited as though their alternative was Norman Rockwell. I mean -- so let me just say, what I said originally and will defend pretty cheerfully for a long time is you have group homes, you have foster care, you have boarding schools, you have orphanages, that there are many alternatives to the current system, and that we should be prepared to delegate back to the states the opportunity to experiment with any organized system of caring for children that we think will save their lives and save their futures.

Now, the point I was making, partly frankly coached by Bill Bennett, who is on the board -- the fund-raising board for Boys' Town -- and Bennett just said that it's outrageous to watch the distortions. I mean, we're not talking about let's reach into a solid working family and rip a child out.

We're saying in a city like Washington, where there are babies abandoned in the dumpster, shouldn't there be an organized alternative, which could include adoption, it could include foster care, it could include orphanages. Then I had Wayne Gilchrest, who has worked for three years earlier in his career in an orphanage like that, but an orphanage for -- actually a boarding school for

children whose parents were alive but who were abusing them. And he said he'll be glad to testify about the impact of that. Then I had Jim Greenwood, who is a member from Philadelphia, who said he used to be a social worker placing those children. Then Marge Roukema and her husband, who is a psychotherapist, came up. They are preparing an op ed piece explaining that frankly some kind of youth hospice or youth hostile program would be dramatically better than a lot of what happens to the poorest and most abused children.

So I am very happy to engage the debate on the following premise --

Q But aren't you --

REP. GINGRICH: Let me just finish. Let me just finish, David. Let me finish. I'm very glad to engage the debate on the question, would those young boys have been better off in an environment where they wouldn't have been killed, would the 11-year-old have been better off with a system which didn't put him back on the street? And the fact is you can go into every major city in this country today and find scandalous examples of 12-, 13-, 14-, 15-year-old mothers who have no institutional alternative and who in desperation end up with their children in horrible circumstances.

So we're not saying what would you do in a nice middle class environment, or what would you do even with a working poor family that was a connected family. But we're saying are there alternatives? And the alternatives aren't just orphanages. I think that's been a grotesque distortion. But are there a series of alternatives, foster homes, boarding schools, easier adoption, youth hostiles, and orphanages which -- and is Boys Town a better environment than the poorest and meanest section of Washington, DC? And I think that's a debate, as Richard Cohen said, I'm glad to point out in the Post this morning in a very nice column, where he said, look, I mean here is a debate worth engaging.

— Federal News Service, DECEMBER 6, 1994

Now, those are real changes. We want to frankly say to young girls, if you get pregnant, we'll help you with group homes, we'll help you with foster care, we'll help you with orphanages, we'll help you with adoption, but we are not going to give 12, 13, and 14-year olds money directly, and we're not going to give them apartments in public housing, because we have been creating an economic incentive program for young girls to get pregnant outside of marriage and for young men to have no responsibility, and after 30 years, it is in danger of destroying large parts of this country. Eighty percent of the children in some neighborhoods are born outside of marriage. Now, that is destructive of the child. It's destructive of the whole situation.

— Federal News Service, MARCH 10, 1994

Rep. GINGRICH: We could pass both anti-crime legislation and dramatic welfare reform legislation to require people to work, to cut children off from government money in the sense of women who are 12, 13, 14 years old who are currently being paid to have more children.

If we don't have that kind of fundamental effort that goes in and says, 'Let's look at adoption, let's look at foster care, let's look at orphanages,' but let's really dramatically draw the line about 12- and 13- and 14- and 15-year-old mothers who I think become in the end, because of the breakdown of

the family, that becomes the next generation's crime. And so I think we've got to address that issue, both in terms of locking up criminals and reforming the welfare system on behalf of children, giving them a chance to grow up in a structured **environment** where they have a future and they have an education and they have a job and they don't turn to drugs and crime as their primary avocation at 13, 14, 15 years of age-

— This Week With David Brinkley (ABC), January 2, 1994

Gingrich views the issue differently.

"We're not talking about [reaching] into a solid working family and ripping a child out," he said. "We're saying in a city like Washington, where there are babies abandoned in the Dumpster, shouldn't there be an organized alternative, which could include adoption [or] orphanages."

— THE HARTFORD COURANT December 8, 1994 Thursday. STATEWIDE SECTION: MAIN; Pg. A1

HEADLINE: REFORMS OF WELFARE DEBATED; ORPHANAGES PLAN SHAPES DISCUSSION
BYLINE: JOHN A. MacDONALD; Courant Staff Writer DATELINE: WASHINGTON --

Response to Hillary Clinton's Criticism of Orphanage Proposal:

I'd ask her to go to Blockbuster and rent the Mickey Rooney movie about "Boys' Town." I mean, my answer to her in part is, you know, the little four-year-old who was thrown off the balcony in Chicago would have been a heck of a lot better off at Boys' Town, than the 11-year-old who was killed after he killed a 14-year-old might have had a chance to live in a supervised boarding school, that the children you see in DC killed every weekend might be better off in a group home or a foster home.

In the 19th century, it was generally -- normally voluntary, and it wasn't a true orphanage. I think a boarding school or a group home is a more accurate statement. James T. Wilson of UCLA sent me a note the other day that said, "What you're really describing here is the right to have a voluntary alternative for very, very young parents who believe that they can't raise their own child."

I don't understand liberals who live in enclaves and safety who say, "Oh, this would be a terrible thing. Look at the Norman Rockwell family that would break up." The fact is we are allowing a brutalization and a degradation of children in this country, a destructiveness. We say to a 13-year-old drug addict who is pregnant, you know, put your baby in a dumpster, that's okay, but we're not going to give you a boarding school, we're not going to give you a place for that child to grow up. There is no place.

--Meet the Press, 12/4/94

We're saying in a city like Washington, where there are babies abandoned in the dumpster, shouldn't there be an organized alternative, which could include adoption, it could include foster care, it could include orphanages.

[Cites Wayne Gilcrest, Jim Greenwood, and Marge Roukema as all supportive of the debate on orphanages.]

--REPS. NEWT GINGRICH (R-GA) ANNOUNCEMENT OF HOUSE REPUBLICAN LEADERSHIP ELECTION RESULTS, TUESDAY, DECEMBER 6, 1994

Robert Rector, Senior Policy Analyst, Heritage Foundation

In language similar to that later used by Armey, Rector said the government should not abandon children born out of wedlock, but that AFDC and food stamps, currently given directly to unwed mothers under 21, should be converted to grants to states. Those grants could be used to promote "adoption and orphanages or supporting the mothers in tightly supervised group homes," Rector wrote.

— THE HARTFORD COURANT December 8, 1994 Thursday, STATEWIDE

SECTION: MAIN; Pg. A1

HEADLINE: REFORMS OF WELFARE DEBATED; ORPHANAGES PLAN SHAPES DISCUSSION

BYLINE: JOHN A. MacDONALD; Courant Staff Writer DATELINE: WASHINGTON --

Rep. Susan Molinari (R-NY)

Incoming Speaker Newt Gingrich knows that it will take bold decisions and courageous ideas if we're ever going to get a [welfare] system that offers work, offers hope, and yes, perhaps through the creation of small orphanages and group homes, offers safety and security to abuse babies and lonely and isolated children.

--Susan Molinari, GOP Response to Radio Address, 12/10/94

Charles Murray

"How does a poor young mother survive without government support?...We need to raise the probability that a young single woman who keeps her child is doing so volitionally and thoughtfully. Forcing her to find a way of supporting the child does this. It will lead many young women who shouldn't be mothers to place their babies for adoption....Many others will get abortions....

Some small proportion of infants and larger proportion of older children will not be adopted. For them, the government should spend lavishly on orphanages. I am not recommending Dickensian barracks. In 1993, we know a lot about how to provide a warm, nurturing environment for children, and getting rid of the welfare system frees up lots of money to do it. Those who find the word "orphanages" objectionable may think of them as 24-hour-a-day orphanages."

— "The Coming White Underclass" by Charles Murray, Wall St. Journal

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MELANNE -

Either Bruce Reed
or I would be happy
to discuss with you
more our strategy for
dealing with the
"orphanage" issue.

- Jeremy Ben-Ari
6-5584

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April 22, 1994, Friday, Late Edition - Final

SECTION: Section A; Page 14; Column 5; National Desk

LENGTH: 1151 words

HEADLINE: Abolishment of Welfare: An Idea Becomes a Cause

BYLINE: By JASON DePARLE, Special to The New York Times

DATELINE: WASHINGTON, April 21

BODY:

A decade ago, when an obscure intellectual named Charles Murray first proposed abolishing welfare, the idea was so radical that even he would not fully embrace it.

He wrote that he was simply conducting a "thought experiment" by suggesting that poor women and children should be left to fend for themselves, without Government aid.

Now, with a force that has stunned even Mr. Murray, politicians are embracing the idea. The talk of reforming welfare by extinguishing it shows how far and fast the welfare debate is moving to the right.

While the proposal is unlikely to become national law anytime soon, support for it could fracture the fragile consensus around proposals like that of President Clinton, which would preserve benefits but make people work for them.

Last week three leaders of the Republican Party, including Jack F. Kemp, the self-styled "bleeding-heart conservative," signed on to a plan that would abolish payments to women younger than 21. There are at least three related proposals in Congress, and two of them would allow states to go even further, ending payments to women of all ages.

'Scenes of Social Trauma'

The trend partly reflects a partisan attempt by Republicans to distinguish themselves on the welfare issue. But one of the bills has a Democratic author, Senator Joseph I. Lieberman of Connecticut.

Mr. Murray, now affiliated with the American Enterprise Institute, a Washington research group, is no longer thinking out loud. He maintains that the drastic move is

needed to reverse the nation's spiraling rates of out-of-wedlock births, which he says portends the rise of a white underclass and an authoritarian state.

But skeptics say that cutting off Government aid would lead to increased homelessness, child abandonment, hunger, abortion and perhaps even street violence. Senator Daniel Patrick Moynihan, the New York Democrat, said last week that the move could provoke "scenes of social trauma such as we haven't known since the cholera epidemics."

Volatile Welfare Politics

The bills tacitly acknowledge some of the risks, by providing money to build homeless shelters and orphanages. Mr. Moynihan vowed that as long as he remains chairman of the Senate Finance Committee, which controls welfare policy, "this kind of thing is simply not going to happen."

But he agreed that welfare politics is in a volatile state in this election year. Consider: a Democratic President is about to propose a bill that would impose the toughest work requirements in the welfare program's half-century history.

But House Republicans are already calling the plan too soft, and they have drafted a bill with even stricter work requirements. Now Mr. Kemp is arguing that even that measure does not go far enough. He outlined his views last week in a public memorandum, which was co-authored by his co-directors at the political organization Empower America. They are William J. Bennett, the former Secretary of Education, and Vin Weber, a former Republican Congressman from Minnesota.

Out-of-Wedlock Births

The memorandum was striking in its partisan tone, which may reflect a Republican fear that Mr. Clinton is stealing the welfare issue from them. The three men urged the party to "discredit the moderate pretensions" of President Clinton and to seize "an opportunity in the realm of politics."

Representative Newt Gingrich of Georgia, the Republican whip, said the move was an attempt by Mr. Kemp "to get more press attention," which Mr. Kemp acknowledged this week. But Mr. Gingrich added that he was among those interested in abolishing welfare benefits.

Nearly 30 percent of all Americans are now born to single mothers: 22 percent of whites and 66 percent of blacks. Most analysts view the trend with alarm, arguing that one parent can provide children with less financial and emotional care than two.

Mr. Murray has been sounding his warnings since at least 1984, when he proposed his thought experiment in the book "Losing Ground" (Basic Books). But he rose to new prominence last October with an article in The Wall Street Journal that predicted

the rise of a large white underclass. "Every once in a while the sky really is falling," he wrote.

The subsequent media explosion treated Mr. Murray as a sage, and even Mr. Clinton praised his analysis as "essentially right" while questioning his prescription. Bruce Reed, the White House welfare expert, said last week that Mr. Murray's ideas could "hurt a lot of innocent people" and that Mr. Clinton would oppose them.

Role for Orphanages

Analysts endlessly debate Mr. Murray's belief that the welfare system is a main cause of the rise in out-of-wedlock births. His detractors note that single parenthood is rising in other countries and among affluent Americans, not just those on welfare.

Still, there is little doubt that abolishing welfare would discourage some poor women from becoming single mothers. The question is, How many? And at what costs?

Mr. Murray predicts a sea-change, arguing that, without welfare, out-of-wedlock births would fall by as much as 50 percent in the first year. He argues that women who do have children they cannot support could marry, seek charity, put their children up for adoption or in Government-financed orphanages.

Senator Lieberman argues that drastic situations call for drastic measures. "I don't want to sacrifice a generation of kids, but I'm also saying, 'Let's remember folks, the conditions that children are living in now are dreadful,' " he said.

Mr. Lieberman's bill would allow a few state experiments, which would abolish welfare, and use the money to provide other services, like orphanages. "My own father spent time in an orphanage" and described it as "a wonderful place," he said.

'An Overall Strategy'

Representative Jan Meyers, a Kansas Republican, has a similar bill. And Representative James M. Talent of Missouri is preparing one, along with Senator Lauch Faircloth of North Carolina, both Republicans.

But to some ears, the casual talk of orphans is more than a little chilling. "The whole world would look at us and say, 'What are those people doing?' " Mr. Moynihan said.

In an interview this week, Mr. Kemp sought to minimize the welfare proposal. He stressed that the memorandum advocated 11 other anti-poverty policies, including his familiar calls to privatize public housing and cut taxes. "I only support it in the context of an overall strategy," he said, noting that his proposal would allow women to collect food stamps, housing assistance, and Medicaid.

But Representative Richard J. Santorum of Pennsylvania, a chief author of the House Republican bill, said Mr. Kemp was attempting "to posture for purity's sake." While abolishing welfare is "a great theory," he said, "the risk is that you're going to have millions of women and children with absolutely no support out there."

GRAPHIC: Photo: Charles Murray. (Jose R. Lopez/The New York Times)

LANGUAGE: ENGLISH

LOAD-DATE-MDC: April 22, 1994

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Roll Call

October 24, 1994

SECTION: Pennsylvania Avenue

LENGTH: 1174 words

HEADLINE: The Inside Story Behind GOP's Turn To Right on Welfare

BYLINE: By Morton M. Kondracke

BODY:

Congressional Republicans have moved radically to the right on welfare reform - a fact that probably will torpedo chances for a bipartisan compromise on the issue in the next Congress and that Democrats might well use to increase turnout in November.

The House Republican "Contract with America" recommends a welfare reform measure that would deny government benefits to 800,000 illegitimate children and limit anyone's (including children's) eligibility for welfare to five years. Senate Republican leaders back a bill that's even tougher, denying benefits to 3.4 million children.

House Republicans also want to cut Social Security benefits to the aged poor and disabled while at the same time they recommend reducing the taxability of Social Security benefits for wealthy recipients.

The GOP move against illegitimate children - designed to "remove the subsidy for illegitimacy" - was inspired by American Enterprise Institute scholar Charles Murray, whose controversial new book, *The Bell Curve: Intelligence and Class Structure in American Life*, provides another juicy target for Democrats.

The book argues that crime, poverty, welfare dependency, and other social pathologies are linked to low IQ, that IQ is predominantly inherited, that persons of low IQ are out-breeding persons of high IQ, and that measures must be taken - including denial of welfare benefits - to limit the growth of low-IQ people in the population.

Murray also argues that blacks have lower IQs, on average, than whites and contends that compensatory education, affirmative action, Head Start, and other programs designed to help them catch up are doomed to failure.

Murray contends that the "underclass" - black and white - will likely have to be

supported in "custodial" circumstances akin to Indian reservations.

Murray's book (written with the late Richard J. Herrnstein of Harvard) has been the subject of furious intellectual debate, with critics characterizing it as "racist," "Social Darwinist," and even "neo-Nazi." So far, however, it has not become a political hot topic.

That could change, however, as it becomes clear how influential Murray was in inspiring the GOP welfare reform plan.

In November 1993, a House Republican task force beat the Clinton Administration to the punch in introducing a comprehensive reform plan designed to force welfare beneficiaries to work after two years of training.

The measure, H.R. 3500, was sponsored by Reps. Nancy Johnson (Conn), Clay Shaw (Fla), Rick Santorum (Pa), and Mike Castle (Del), was approved by the House GOP Conference, and had the support of House GOP leaders.

But last October Murray wrote an article in the Wall Street Journal titled "The Coming White Underclass," which dramatically shifted GOP concentration from work requirements to illegitimacy prevention.

Former Education Secretary Bill Bennett took up the Murray argument and criticized H.R. 3500. So did other conservative groups, including the Heritage Foundation, the Family Research Council, the Free Congress Foundation, and the Christian Coalition.

The right also argued that H.R. 3500 too closely resembled President Clinton's "workfare" proposal, finally introduced this June.

A hard-line alternative GOP bill was introduced by Reps. James Talent (Mo) and Tim Hutchinson (Ark) and by Sen. Lauch Faircloth (NC) calling for denying AFDC, food stamps, and public housing assistance to mothers up to 26 years of age who have illegitimate children. It would cause 3.4 million children to be dropped from welfare - out of the 9.7 million (about half of them illegitimate) who now receive it.

The bill also calls for the money saved to be converted into a "block grant to care for children born out of wedlock," which states would use to set up orphanages and "closely supervised group homes for unwed mothers."

The Talent bill was co-sponsored by such GOP leaders as Richard Armey (Texas), Bob Walker (Pa), and Bill McCollum (Fla) and (according to Talent's staff) received encouragement from Minority Whip Newt Gingrich (Ga). The Senate version is backed by Minority Leader Bob Dole (Kan).

Then, as preparations were under way this summer for the House Republican

"Contract with America," outside conservative groups pressured GOP leaders to substitute the Talent bill for H.R. 3500 as the official Republican proposal.

Armey arranged for Johnson, Shaw, Talent, and Hutchinson to work out a compromise - a procedure hotly criticized by Johnson, who believed a GOP Conference vote was being circumvented by pressure groups.

The final version calls for cutting 800,000 illegitimate children off welfare and limiting aid to five years.

The measure also advocates revoking entitlement status for AFDC, food stamps, and the Supplemental Security Income program, which helps poor elderly and disabled persons. Such programs would become "domestic discretionary" items in the federal budget, subject to annual appropriations rather than automatic cost-of-living increases.

At the same time, nothing in the GOP contract calls for eliminating middle-class entitlements such as farm subsidies. In fact, taxes on Social

Security income would be lowered, benefiting wealthy recipients by \$31 billion over five years.

The GOP plan and Murray's ideas offer Democrats a wealth of opportunities to mobilize blacks, union members, and other constituents to turn out at the polls in November. Suburban moderates also might be turned off to GOP candidates by the harshness of the proposals.

But, inevitably, Republicans will pick up House and Senate seats in November. And when the new, more Republican Congress begins work in January, it's hard to see how President Clinton's work-based welfare reform can be compromised with a GOP plan that punishes children for being born illegitimately.

LANGUAGE: ENGLISH

LOAD-DATE-MDC: October 24, 1994

DRAFT OUTLINE FOR RESPONSE TO EDITORIAL

We are all heartened to learn that the 18-month old girl abandoned in Washington on a freezing day last week is now in the safe and caring environment of St. Ann's Infant and Maternity Home in Maryland. That is exactly where the baby girl, abandoned by a welfare mother and other relatives who were unable to care for her, should be.

In an essay in NEWSWEEK this week, I reiterated my long-standing belief that in neglect and abuse cases such as these -- or in cases where parents are simply unwilling to care for children -- children are better off in alternative settings outside of the home that ensure their safety.

That is a position I have taken since my earliest days as a children's advocate and lawyer working on children's issues. In the 1970s, I wrote several articles for legal journals outlining the rights of children to be protected from abusive and neglectful parents. Ironically, I was attacked for these views at the Republican convention in 1992 by some GOP leaders who deemed my position "anti-family."

While my NEWSWEEK essay addressed this critical issue, it also dealt with another issue that has attracted a lot of attention lately: whether poor children should be taken from their parents and placed in orphanages. The magazine asked for my response to ideas forwarded by Republican leaders who suggested that children of welfare mothers might be better off in orphanages.

These ideas were widely reported and commented on in the news media. In a bill last year, GOP Rep. James Talent of Missouri proposed denying payments to children born to welfare mothers under age 26 and using the money instead for orphanages or group settings. Economic status, not abuse or neglect, was his bill's standard for determining whether children should be taken from their parents.

In his Personal Responsibility Act, House Speaker Newt Gingrich proposed denying aid to unmarried mothers under 18 and to allow states to extend that ban to mothers under age 21. In subsequent discussions, with editors and reporters of The Washington Post, among others, he suggested that savings from the provision could be used to build orphanages and group homes for children whose mothers were unable to care for them. [insert "quote from Newt" here]

For the past 25 years I have argued, as Speaker Gingrich does now, that abused and neglected children are better off in group homes than thrown in a dumpster, left shivering on the street, or surrounded by violence and abuse.

But I could never imagine making poverty the sole criteria for breaking up families, which was the thrust of Rep. Talent's bill and the implication of Speaker Gingrich's comments about welfare reform.

A Washington Post editorial on January 10th, excerpting a few sentences from my NEWSWEEK article, suggested that these Republican ideas should not be taken seriously. Furthermore, the editorial missed the other equally important half of the equation -- that I have always argued to put the safety of children first, whether they come from poor, rich, or middle-class backgrounds. As the debate over welfare and children evolves, I hope the newspaper will be more rigorous in fairly and fully representing my views and those of others who comment on this critical issue.

VALIDATION OF HRC RESPONSE TO DEBATE ON ORPHANAGES

REPUBLICANS ACKNOWLEDGE THE ORPHANAGES PROPOSAL:

Sen. Bob Dole:

"I'm not certain about the orphanages or moving back to private charities. That may not be enough to cope with the problem... I think orphanages would be going a bit too far, but I'm not trying to pick a fight with Newt Gingrich." (Dole on CNN's "Late Edition," 11/13/94)

"Dole also has not said how far he wants to go on welfare reform -- though he has said Gingrich's idea of getting orphanages to help care for children born out of wedlock is too far." (Washington Post, 11/22/94)

Rep. Clay Shaw:

"Rep. Clay Shaw Jr. of Florida is among those Republicans who said that Mr. Gingrich's plan to substitute orphanages for welfare checks could prove 'unduly harsh.'" (Dallas Morning News, 11/13/94)

Sen. Phil Gramm:

"I'm not interested in orphanages... I (don't) believe in taking people away from their mothers." (USA Today, 12/1/94)

Sen. Nancy Kassebaum:

"Kassebaum says it is 'unrealistic' to expect private charities to step in and care for people whose benefits might be cut, as House Speaker-to-be Newt Gingrich has suggested." (USA Today, 12/21/94)

PRESS COVERAGE OF THE ORPHANAGES PROPOSAL:

"Three weeks ago, the discussion on NBC's 'Meet the Press' had turned to institutions and welfare reform. For months, Mr. Gingrich had suggested that a strict time limit be set on welfare benefits and that children could be taken from parents left without income, if necessary. The children he said, could be placed in orphanages or foster care." (Dallas Morning News, 12/5/94)

"Alarms are being raised by another Gingrich suggestion for removing children from parents who are on long-term welfare and putting them into state orphanages. Use of the word orphanages has raised the specter of Dickensian horrors. But Tony

Blankely, Mr. Gingrich's spokesman, says the institutions would be better than conditions facing babies in the worst parts of US cities and 'they won't have to worry about being shot.'" (The Times, 11/16/94)

"Incoming House Speaker New Gingrich has spoken of cutting off welfare checks to unwed teenage mothers and, if necessary, rearing their children in orphanages." (Atlanta Journal and Constitution, 11/20/94)

"On NBC's 'Meet the Press,' Gingrich defended his proposal to deny aid to teenage mothers and to use that money instead to promote orphanages, group homes for unwed mothers and adoption." (St. Louis Dispatch, 12/5/94)

"House Speaker-to be Newt Gingrich insists orphanages are a valid answer for the nation's welfare children and says First Lady Hillary Rodham Clinton should see the film version before criticizing his plan." (USA Today, 12/5/94)

"Rep. Talent would permanently deny payments to children born to mothers younger than 26. States could use the money instead to care for children in orphanages or other group settings." (Houston Chronicle, 11/20/94)

"New House Speaker Newt Gingrich champions the idea (of orphanages) for kids he says could suffer after their kids lose welfare." USA Today, 12/6/94

QUOTES BY GINGRICH:

(See attached).

REPUBLICAN QUOTES ON OUT-OF-HOME PLACEMENTS FOR POOR CHILDREN

For more information, call Amy Busch at 690-6853 or Lisa Gilmore at 690-6035.

Representative Newt Gingrich

Gingrich, who seems to delight in his role as public provocateur, refused to surrender or even take cover. He argued that orphanages could provide stability and safety for children from drug- and crime-infested neighborhoods. He called on the first lady to watch "Boys Town," thus prompting Turner's invitation.

— The Plain Dealer, December 27, 1994

... Three weeks ago, the discussion on NBC's Meet the Press had turned to institutions and welfare reform. For months, Mr. Gingrich had suggested that a strict time limit be set on welfare benefits and that children could be taken from parents left without income, if necessary. The children, he said, could be placed in orphanages or foster care.

An interviewer confronted the Georgia Republican with a statement by first

... proposal "unbelievable and absurd."

"I'd ask her to go to Blockbuster and rent the Mickey Rooney movie about Boys Town," Mr. Gingrich replied.

— The Dallas Morning News December 25, 1994, Sunday, HOME FINAL EDITION

What prompted the revival of the orphanage image and the controversy that has accompanied it were remarks by incoming House Speaker Newt Gingrich suggesting that children taken from "welfare mothers" could be placed in orphanages "where they would at least have food, shelter and not get shot at."

What Gingrich meant by the remark, uttered at a Washington Post luncheon, has been the subject of much interpretation. The first lady, for instance branded the idea "unbelievable" and "absurd." Her husband commented in his weekly radio address that children shouldn't be taken from "loving families." No one would disagree with that position.

— THE ARIZONA REPUBLIC December 18, 1994 Sunday, Final Chaser
SECTION: EDITORIAL/OPINION; Pg. F4 HEADLINE: DICKENS OR 'BOYS TOWN'?;
IN DEFENSE OF ORPHANAGES

Orphanage was the wrong word, Gingrich said at a Washington Post lunch, but he is not retreating on the concept that children should be removed from

environments where they are neglected or abused and have no chance to thrive.

— The Buffalo News December 16, 1994, Friday, City Edition

SECTION: VIEWPOINTS; Pg. 3 HEADLINE: NEWT'S ORPHANAGE IDEAS NOT AS ODD AS THEY SEEM BYLINE: Mary McGrory, Universal Press Syndicate DATELINE: WASHINGTON

... on orphanages, which he said had been the victim of "grotesque distortion" by the news media and the White House.

In extended remarks, Mr. Gingrich said he proposed that states be allowed to experiment with varying ways of tending to displaced and abused children -- including, he said, orphanages or youth hostels -- in contrast to a welfare system that encourages that children be placed with their parents or in foster homes.

Mr. Gingrich said that he had adopted the idea from William Bennett, the conservative scholar and former Education Secretary, and that he believed it might be preferable to a system that now emphasized keeping young people in environments that are breeding grounds for crime and social problems.

— The New York Times December 7, 1994, Wednesday, Late Edition - Final

SECTION: Section B; Page 11; Column 4; National Desk

HEADLINE: Team in Place, Gingrich Comes Out Slugging

BYLINE: By MICHAEL WINES, Special to The New York Times

DATELINE: WASHINGTON, Dec. 6

Q Mr. Gingrich, may I ask a question?

REP. GINGRICH: Sure.

Q (Off mike) -- the other one was a five-year-old -- (inaudible) -- who was thrown out of a building and his eight-year-old cousin tried to -- (inaudible) -- first appeal and wouldn't do it, and his mother and his aunt tried -- (inaudible) -- how are those two people going to be helped by your orphanages?

REP. GINGRICH: Let me make a point here, because this again is one of those examples where something I'm very prepared to defend suddenly becomes a symbol and then the White House distorts it into Dickens revisited as though their alternative was Norman Rockwell. I mean -- so let me just say, what I said originally and will defend pretty cheerfully for a long time is you have group homes, you have foster care, you have boarding schools, you have orphanages, that there are many alternatives to the current system, and that we should be prepared to delegate back to the states the opportunity to experiment with any organized system of caring for children that we think will save their lives and save their futures.

Now, the point I was making, partly frankly coached by Bill Bennett, who is on the board -- the fund-raising board for Boys' Town -- and Bennett just said that it's outrageous to watch the distortions. I mean, we're not talking about let's reach into a solid working family and rip a child out.

We're saying in a city like Washington, where there are babies abandoned in the dumpster, shouldn't there be an organized alternative, which could include adoption, it could include foster care, it could include orphanages. Then I had Wayne Gilchrest, who has worked for three years earlier in his career in an orphanage like that, but an orphanage for -- actually a boarding school for

children whose parents were alive but who were abusing them. And he said he'll be glad to testify about the impact of that. Then I had Jim Greenwood, who is a member from Philadelphia, who said he used to be a social worker placing those children. Then Marge Roukema and her husband, who is a psychotherapist, came up. They are preparing an op ed piece explaining that frankly some kind of youth hospice or youth hostile program would be dramatically better than a lot of what happens to the poorest and most abused children.

So I am very happy to engage the debate on the following premise --

Q But aren't you --

REP. GINGRICH: Let me just finish. Let me just finish, David. Let me finish. I'm very glad to engage the debate on the question, would those young boys have been better off in an environment where they wouldn't have been killed, would the 11-year-old have been better off with a system which didn't put him back on the street? And the fact is you can go into every major city in this country today and find scandalous examples of 12-, 13-, 14-, 15-year-old mothers who have no institutional alternative and who in desperation end up with their children in horrible circumstances.

So we're not saying what would you do in a nice middle class environment, or what would you do even with a working poor family that was a connected family. But we're saying are there alternatives? And the alternatives aren't just orphanages. I think that's been a grotesque distortion. But are there a series of alternatives, foster homes, boarding schools, easier adoption, youth hostiles, and orphanages which -- and is Boys Town a better environment than the poorest and meanest section of Washington, DC? And I think that's a debate, as Richard Cohen said, I'm glad to point out in the Post this morning in a very nice column, where he said, look, I mean here is a debate worth engaging.

— Federal News Service, DECEMBER 6, 1994

Now, those are real changes. We want to frankly say to young girls, if you get pregnant, we'll help you with group homes, we'll help you with foster care, we'll help you with orphanages, we'll help you with adoption, but we are not going to give 12, 13, and 14-year olds money directly, and we're not going to give them apartments in public housing, because we have been creating an economic incentive program for young girls to get pregnant outside of marriage and for young men to have no responsibility, and after 30 years, it is in danger of destroying large parts of this country. Eighty percent of the children in some neighborhoods are born outside of marriage. Now, that is destructive of the child. It's destructive of the whole situation.

— Federal News Service, MARCH 10, 1994

Rep. GINGRICH: We could pass both anti-crime legislation and dramatic welfare reform legislation to require people to work, to cut children off from government money in the sense of women who are 12, 13, 14 years old who are currently being paid to have more children.

If we don't have that kind of fundamental effort that goes in and says, 'Let's look at adoption, let's look at foster care, let's look at orphanages,' but let's really dramatically draw the line about 12- and 13- and 14- and 15-year-old mothers who I think become in the end, because of the breakdown of

the family, that becomes the next generation's crime. And so I think we've got to address that issue, both in terms of locking up criminals and reforming the welfare system on behalf of children, giving them a chance to grow up in a structured **environment** where they have a future and they have an education and they have a job and they don't turn to drugs and crime as their primary avocation at 13, 14, 15 years of age-

— This Week With David Brinkley (ABC), January 2, 1994

Gingrich views the issue differently.

"We're not talking about [reaching] into a solid working family and ripping a child out," he said. "We're saying in a city like Washington, where there are babies abandoned in the Dumpster, shouldn't there be an organized alternative, which could include adoption [or] orphanages."

— THE HARTFORD COURANT December 8, 1994 Thursday, STATEWIDE SECTION: MAIN; Pg. A1

HEADLINE: REFORMS OF WELFARE DEBATED; ORPHANAGES PLAN SHAPES DISCUSSION
BYLINE: JOHN A. MacDONALD; Courant Staff Writer DATELINE: WASHINGTON --

Response to Hillary Clinton's Criticism of Orphanage Proposal:

I'd ask her to go to Blockbuster and rent the Mickey Rooney movie about "Boys' Town." I mean, my answer to her in part is, you know, the little four-year-old who was thrown off the balcony in Chicago would have been a heck of a lot better off at Boys' Town, that the 11-year-old who was killed after he killed a 14-year-old might have had a chance to live in a supervised boarding school, that the children you see in DC killed every weekend might be better off in a group home or a foster home.

In the 19th century, it was generally -- normally voluntary, and it wasn't a true orphanage. I think a boarding school or a group home is a more accurate statement. James T. Wilson of UCLA sent me a note the other day that said, "What you're really describing here is the right to have a voluntary alternative for very, very young parents who believe that they can't raise their own child."

I don't understand liberals who live in enclaves and safety who say, "Oh, this would be a terrible thing. Look at the Norman Rockwell family that would break up." The fact is we are allowing a brutalization and a degradation of children in this country, a destructiveness. We say to a 13-year-old drug addict who is pregnant, you know, put your baby in a dumpster, that's okay, but we're not going to give you a boarding school, we're not going to give you a place for that child to grow up. There is no place.

--Meet the Press, 12/4/94

We're saying in a city like Washington, where there are babies abandoned in the dumpster, shouldn't there be an organized alternative, which could include adoption, it could include foster care, it could include orphanages.

[Cites Wayne Gilcrest, Jim Greenwood, and Marge Roukema as all supportive of the debate on orphanages.]

--REPS. NEWT GINGRICH (R-GA) ANNOUNCEMENT OF HOUSE REPUBLICAN LEADERSHIP ELECTION RESULTS, TUESDAY, DECEMBER 6, 1994

Robert Rector, Senior Policy Analyst, Heritage Foundation

In language similar to that later used by Armev, Rector said the government should not abandon children born out of wedlock, but that AFDC and food stamps, currently given directly to unwed mothers under 21, should be converted to grants to states. Those grants could be used to promote "adoption and orphanages or supporting the mothers in tightly supervised group homes," Rector wrote.

— THE HARTFORD COURANT December 8, 1994 Thursday, STATEWIDE
SECTION: MAIN; Pg. A1
HEADLINE: REFORMS OF WELFARE DEBATED; ORPHANAGES PLAN SHAPES DISCUSSION
BYLINE: JOHN A. MacDONALD; Courant Staff Writer DATELINE: WASHINGTON --

Rep. Susan Molinari (R-NY)

Incoming Speaker Newt Gingrich knows that it will take bold decisions and courageous ideas if we're ever going to get a [welfare] system that offers work, offers hope, and yes, perhaps through the creation of small orphanages and group homes, offers safety and security to abuse babies and lonely and isolated children.

--Susan Molinari, GOP Response to Radio Address, 12/10/94

Charles Murray

"How does a poor young mother survive without government support?...We need to raise the probability that a young single woman who keeps her child is doing so volitionally and thoughtfully. Forcing her to find a way of supporting the child does this. It will lead many young women who shouldn't be mothers to place their babies for adoption....Many others will get abortions....

Some small proportion of infants and larger proportion of older children will not be adopted. For them, the government should spend lavishly on orphanages. I am not recommending Dickensian barracks. In 1993, we know a lot about how to provide a warm, nurturing environment for children, and getting rid of the welfare system frees up lots of money to do it. Those who find the word "orphanages" objectionable may think of them as 24-hour-a-day orphanages."

— "The Coming White Underclass" by Charles Murray, Wall St. Journal

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MARCH 10, 1994, THURSDAY

SECTION: COMMERCE AND TRADE SPEECHES OR CONFERENCES

LENGTH: 9127 words

HEADLINE: SELF-INSURANCE INSTITUTE OF AMERICA
REMARKS BY
REPRESENTATIVE NEWT GINGRICH (R-GA), MINORITY WHIP
GRAND HYATT HOTEL

BODY:

REP. GINGRICH: (Applause.) Let me say first of all I'm delighted to be here. I don't know how many of you noticed walking down the hall that, if any of you are actually here for the EPA litigation conference, that's next door. (Laughter.) And I couldn't help but think that this is a city where you know how much big government there is if you simply go around the city to the major hotels and record all the groups that have to come here to fight against whatever it is the bureaucracy wants to do next. And it sort of an astonishing array. I'm particularly delighted to be with you because I think your association and your historic experience illustrate one of the great paradoxes of modern America. You have largely been successful. You have provided health insurance for an extraordinary number of people with minimum government involvement, with no tax increase, with no bureaucracy. Many of you are now actually working on projects that are entrepreneurial that are lowering the cost of health care. You're providing better coverage at lower cost with better plans. You're looking around trying to find the best technology, the best medicine, the best opportunities. And the result is that the liberals, having seen you succeed, want to now replace you with a large routine, bureaucratic model that will raise taxes, reduce health care and eliminate your entire industry. Now, if you think about it, that's sort of weird. (Laughter.) I mean, have any of you tried to back up and imagine you were writing Washington in 1994 as a humorous novel? And imagine you had, for example, in the White House a team that couldn't manage a tiny real estate development in a small state -- (laughter, applause) -- a team whose best defense of their ethics was, "We lost all the money." (Laughter.) And having lost all the money in a tiny real estate development in a small state, the team said, "We have a new project; let's manage 14 percent of the gross national product of the largest economy in the world." (Laughter.) I mean, anywhere -- if this was normal life and this was not a comedy and we were not writing this as a situation comedy or a soap opera, would you believe it? (Laughter.)

Can you imagine the arrogance of a Congress which is at 26 percent approval, where the Democratic leadership after 40 years of being in charge is at 26 percent approval, where the person who writes the tax bills just had to write a check for \$82,000 because over the last five years he had misused office money and his defense lawyers

thought that he ought to try to clean it up before he gets indicted. Now, this is the tax -- can you imagine if you adopted the rule that said -- you wrote the IRS and said, "You know, over the last five years I think I was off by about 82 grand" -- (laughter) -- "but I'd sure like to write you a check, and I hope you won't take it personally." (Laughter.) And in that context, what are they going to do? And let me tell you -- I'm going to cover three areas. What do we need to do about health? What do we need to do about legislation, and what do you need to do? And then I want to take questions.

But I want to start with where we're at on health legislation, because nobody in America accurately understands how grotesque the system is. And I want to cite for all of you a "60 Minutes" story about a month ago about a Democratic freshman named Gutierrez from Chicago. And if you didn't see it, you ought to get the transcript or you ought to get a copy of the videotape and you ought to look at it. Gutierrez, who is a Democratic freshman, goes on television and says to CBS news, for about 12 minutes, the reason there are no reform freshmen is we are brow beaten, humiliated, intimidated and threatened. And then Tim Penny comes on, a 12-year veteran who is retiring in disgust, and he says, yes, Gutierrez is right. And then he names three of the enforcers by naming three of the major committee chairmen, and uses the term -- "these are the enforcers" -- and they go around and bully and punish people. Now, you need to see the "60 Minutes" report by CBS so you understand I'm not just here as a Republican leader, I'm here as a citizen trying to share with you where we're at after 40 years of one-party rule and why it's going to directly affect the rest of your life.

Now here's what's happened. The president went to the nation, he said, "I have a terrific health plan." He gave a wonderful speech. The speech had nothing to do with the plan, but the speech was terrific. I loved most of the speech. I thought, "Yes!" (Laughter.) I mean, I've been co-chairman of the Republican Task Force on Health since July of 1991, along with Congressman Bob Michel. We've written a health bill; we recommend it to you. It's the Michel-Lott bill. It's a good bill. It's H.R. 3080, and it's really -- it solves most of the problems without creating a socialist bureaucracy. Then the country began to read the plan. And then starting with Elizabeth McCoy at the Manhattan Institute, they began to take the plan apart, and then people began to realize that it was all based on "Reinventing Government" by David Osborne (sp). And when you read "Reinventing Government," which is a book that's available that you can actually find and hold in your hand, it's not just a speech that goes away, it turns out that Osborne (sp) says the West German socialist model is the right model; we're not for Canada, we're for German socialism. And then people began to say, okay, let me get this straight; in a country that does no bureaucracy well, we are now going to -- we're now going to place all of our private insurance, all of our private choice, all of our control over our own health, by building a large national system. Now, what happened, of course, as all of you know, is support for the plan went straight down. So at that point, you, thinking the game was fair and not rigged, said, wow, I guess we've beaten it. It's now down to a point where it's 41 percent approve, 45 percent disapprove, and when you ask them, do you know enough about it to approve it, the numbers drop even more. But this is the way the machine works, and this is what Gutierrez was explaining on "60 Minutes." Having lost the

public Clinton plan, they're now going to write a secret Clinton plan. Let me show you how it works. The Ways and Means Committee, which has a huge Democratic advantage, will write a bill, and it will be a fairly left-wing bill. The Energy and Commerce Committee will try to write a bill of some kind, and I've already been told about four Democrats who've taken the following position: I'm really against the bill, but I'll vote to get it out of committee.

Now what does that mean? It means the machine wins because then they get it to the next layer. Then they'll go to the Rules Committee. Now they'll have two bills plus they'll have the Education and Labor version. They'll go to the Rules Committee. In the Rules Committee, they will have a series of secret meetings, chaired either by the speaker or by Mr. Gephardt, the majority leader, and in the secret meetings they will try to put together a pork-barrel version of the bill – how much do we have to give this committee, how much do we have to give that committee, what do we have to give away on the floor. Now remember, Mrs. Clinton, with 500 people in a secret meeting in the White House for six months, couldn't write a plan. So now you're going to have 20 people in a series of secret meetings, and they are going to write a plan because they have the legislative power to pass it. And they're going to come to the floor with a bill nobody will have read which will have dozens of loopholes, all sorts of unintended consequences, and in a number of ways, just plain be dumb.

And they're going to rush up to their members and say, "You've got to keep the process alive. Even if you don't like the plan, at least send us to conference where we will, quote, 'improve it'."

Meanwhile, on the Senate side, they'll do whatever they're going to do, and finally they'll get to conference about, oh, August. And they'll have secret meetings in conference between the Senate and the White House and the House, and that's where they'll finish writing the secret Clinton plan because they can't pass the public plan. And the secret Clinton plan will have all sorts of mistakes. Remember catastrophic health insurance which we had to repeal? Remember Section 89 which we had to repeal?

Go look at the Medicaid provision that was agreed to at 3:00 in the morning between the Bush administration and Henry Waxman, which was scored at \$500 million and has so far, I believe, cost \$40 billion. A minor mistake, but it's only your tax money. And then they'll come to the floor in September or October and they'll (go up to the members ?) and say, "Well, it's the best we could do." They'll say to the real socialists, "It gets you a half-step there." They'll say to the real moderates, "At least it's not socialism." (Laughter.) And they'll do it on two or three days' notice with nobody having read the bill and none of you having had the time to get a copy of it. And it will be just before the election, and they'll say, "Do you really want to go home having voted on?" Well, that's where you are today. The machine is still in the game, and the machine still has a chance to win, and they are determined to twist arms, to promise committee assignments, to use the appropriations process, to do what it takes. And why are they pushing so hard? Because they want your money to build their bureaucracy. Their entire structure depends on getting control of your money. This is not about health; this is about power. And unless you're aware of the legislative process – and don't take my word on it. Go look at the "60 Minutes"

segment on Gutierrez and Penny, and then think about what you've experienced all your life.

Think about why Congress has a 26 percent approval. And then understand, if you are not actively, passionately involved, if you are not educating your members and you're not explaining to your friends and you're not out there in the game, you are going to end up losing your health care. And you're going to end up with a mediocre, government-run ration system dominated by bureaucrats with political decisions made in Washington. And that's still the direction they're trying to push us, and they haven't given up for a half-hour. They just gave up on the public plan and shifted gears and went to Plan B. And Plan B is get it secretly because you can't get it publicly. But they haven't stopped for a second.

And the only way you stop that kind of effort — and I helped stop hospital cost containment in 1979 because it was a terrible plan that would have closed hospitals all over America. And I helped repeal catastrophic. I voted against it. I was one of 93 who voted no because he said it was dumb. I was then one of 300 who voted yes when we repealed it because it turned to be dumb. You only stop big government by having lots of citizens who, starting at Easter recess, walk up their member of Congress and say, "This is a jobs bill. It's about your job." (Laughter, applause.) Let me talk to you just for a couple minutes about health in America because it's an important topic, and I wish it was a topic we could debate the Democratic leadership openly and honestly about, and I wish it was a topic the president would be willing to be candid about and have honest dialogue instead of just demagoguery.

We are on the edge of revolutions in health care.

This is — this is the great, grand tragedy of this bureaucratic monstrosity that they want to pass.

You have a revolution in genetic biology which is probably going to change virtually all approaches to health care within a decade. It's going to change Alzheimer's, it's going to change cancer, it's going to probably eliminate problems like cystic fibrosis, it's going to dramatically change diabetes, both because we're going to learn how to deal directly with the genetic defects and because we're going to learn things about how the human body operates that are going to literally be as big a revolution or bigger than the invention of the computer or the rise of nuclear power.

Now, we're right on the edge of this. And what does the administration do? It attacks the pharmaceutical industry and the biotechnology industry, which drives down the value of their stock, which limits their capital so that literally the biotechnology association reported that their research on cancer was cut 45 percent by the Clinton administration's attack. They just don't have the money. And then we're going to talk about having a bureaucracy in Washington appointed by politicians that will make decisions about the newest break-through in cancer? That's going to mean if you're a senator or a governor you get it, if you're a normal person you don't. It's going to mean a lot slower lead time. Canada has introduced no new Canadian-developed drugs in 20 years. The industry just dried up.

And so the issue do we want to accelerate the biological revolution to give us the best health care in the world and to frankly create an opportunity both for quality of life for all of us and for lowering the cost, because people will get sick less, and we'll treat it faster and better. That's phase one. Phase two is that we have an opportunity

for health to be largest foreign exchange earner of the 21st century. Let me give you an example. From all of the Americas, (LISA ?) has one 747 every weekend coming from Tokyo to Minneapolis to bring a planeload of Japanese to shop. Every week. As the world gets smaller, as information gets worldwide and instantaneous by telephone and computer and as people -- as the cost of air travel keeps going down, when people get cancer they're going to say "What's the best cancer center in the world?" If it's Sloan Kettering, they're going to go there. When they have a heart problem, they're going to say "What's the best heart center in the world?" If it's the Mao Clinic, they're going to go there.

Go and look across the entire Northern United States at the percentage of bedspace taken up by Canadians. Look at the Cleveland Clinic and the number of foreigners who come there, whose family comes, who are at a hotel, and who provide income for the entire Cleveland community because it's the best health care in the world. Look at the amount of money we already earn out of drugs and biotechnology selling all over the planet.

If we thought of health as an opportunity rather than just a problem, we would have a dramatically better approach to it, it would provide a very high quality of income to Americans, and it would be the largest single source of foreign exchange for the United States in the entire next century. That's a totally different way of thinking about it, and one we need.

Third, as all of you know from your own experiences, the entrepreneurial forces in health care are beginning to drive prices down. I'll give you two good examples of systems approaches. The Steel Case (sp) studies in Michigan, which is a five-year study of the impact of preventive in wellness. They lowered the cost of health care for Steel Case by 30 percent because they didn't do the right things in the right way because people changed their behaviors, because it was worthwhile to do it. Both Forbes Magazine and Golden Rule Insurance Company of Indianapolis have tried out medical savings accounts. This is a system where you give your employees a \$3,000 deductible, so it's a catastrophic plan, but you also give them the \$3,000 in January. They are spending their money from the first day. At the end of the year if they have money left over they can take it as an end-of-the-year bonus and pay income tax on it, or they can roll it into a savings account and have a tax-free interest buildup. In that system, where people have a first-dollar incentive to be good consumers, to pay attention and watch cost, where people are eliminating all the paperwork for small bills, and very often it costs as much to collect the bill as the bill itself, where people are having no interest payments on the time value of money because they're paying immediately while they're there at the doctor's office or the pharmacy, and where people have a lot higher interest in prevention and wellness because it is their money they're saving, in that setting both companies reported about a 35 percent -- or a 30 percent decrease in the cost of health.

Now, I'm just suggesting that if you look at Regina Hertzlinger's (sp) book on entrepreneurship in health care -- she's at the Harvard Business School -- if you look at all these opportunities, that a lot can be done, and we have a lot of steps we can take to have lower cost, better health care for everybody. The Michel-Lott bill, H.R. 3080, eliminates all preconditions. It eliminates all -- it creates job portability so you don't lose your insurance when you change jobs. It creates an environment where

small business can buy group insurance. It extends the same tax opportunity to the self-employed and the unemployed as large corporations. It has very strong malpractice reform, including requiring that you go to arbitration, and if you appeal from the arbitration, unless you get at least 20 percent more than the arbitrator gave you, you automatically have to pay all court costs for both sides, so you begin to create a disincentive. It relieves hospitals from antitrust so they can work together to buy very expensive equipment and to decide, you know, who ought to specialize and how can we actually serve the community.

Our point to you is simply that it is possible to have a practical, pragmatic bill, something like the Rowland-Bilirakis bill. Dr. Rowland is a Democrat, and Mike Bilirakis is a Republican. They have 16 Democrats and 16 Republicans working together. As all of you know, I helped pass NAFTA because I helped lead a bipartisan coalition that actually had more Republican votes than Democrat. And I've said over and over again I'm prepared to work with any Democrat who wants to write a common-sense American bill based on the way Americans do things, without lots of bureaucracy, without government control, and without big tax increases. And I think we have the chance to do it. But it will only happen if people like you go back home and talk to your members of Congress. This city will take your wallet, take your health, and give you what it wants. And the only way you stop that is for you to be directly involved. Let me say one last thing and then I'll take questions. I really believe — and I want to talk to you for a second just as citizens. I really believe that we are in trouble as a country. I am a history teacher by background, and I do not believe that American civilization or any civilization can survive with 12-year olds having babies, 15-year olds killing each other, 17-year olds dying of AIDS, and 18-year olds getting diplomas they can't read. I just don't think it's possible. This is not Democrat or Republican, liberal or conservative. I think we're in a genuine crisis of our civilization.

You are meeting in your national capital. Within a half-mile of this meeting room, all four of those things are happening; 12-year olds are having babies, 15-year olds are killing each other. Read the morning paper here about a shooting at a high school. Seventeen-year olds are dying of AIDS, and 18 year-olds are getting diplomas they can't read.

Now, this is a crisis for us, and frankly, it's what makes the health debate so grotesque, because it's clear by any reasonable standard, if you listen to the president's State of the Union, where he said 30 years ago families began decaying. That was the Great Society, almost to the day. He describes the failure of the welfare state, and yet he wants to extend it to health. I tell people, if you like public housing, you'll love public medicine. (Laughter.) My challenge to you is to recognize that the welfare state has failed, that it failed because it was fundamentally wrong about human nature. We say in the Declaration of Independence that we hold these truths to be self-evident, that all men are created equal, and they are endowed by their creator with certain inalienable rights, among which are life, liberty and the pursuit of happiness. What the welfare state does is it takes in Americans and it reduces them from a citizen down to a client, then it subordinates them to a bureaucrat, and then it subjects them to regulations which are anti-work, anti-family, anti-property and anti-opportunity. Now, any human being subjected over time to

those kind of rules will develop the kind of pathologies you see every night on your local television news.

And I think the challenge to us is not to extend the welfare state into health; the challenge to us is to design a replacement for the welfare state, to take the principles that make, for example, health insurance work and begin to figure out how do we apply them to the poor; to take all the things you use as the way you think about solving problems for you and apply them to reshaping and redefining the government.

I think, as Franklin Roosevelt said, that our generation has a rendezvous with destiny, and it is our destiny to find a way to replace the welfare state. Now, for those of you who are interested, I taught a course in this at Kennesaw State College last fall, and then the University of Georgia Board of Regents adopted a rule that no elected official can teach. (Laughter.)

This is a true story. I was teaching for free. I have a Ph.D. in history, and I taught for eight years in the university system, but when I taught the course last fall, it was so controversial that they adopted a rule that as long as your ideas are weird enough that nobody will elect you, you're safe, but if your ideas are popular enough that you can win, you can't teach because you're dangerous. (Laughter.) Luckily, Reinhardt (sp) College -- which is a private school and therefore wasn't under political control, which goes back to why I worry about bureaucracies and politicians controlling your health care -- Reinhardt College offered me a chance to teach in January, so I did. This course is available two ways. One is an 800 number I'll give you in a second, but the other is it's on National Empowerment Television every Wednesday from 1 to 3 Eastern Time, and it's going to be repeated five times during the course of the year.

It was offered winter quarter in 140 sites, including 10 college campuses that offered it for credit, including the University of California at Berkeley, it was offered at Clemson in the fall, and a number of other places for credit, and it's 10 two-hour segments. One of the segments is on health care and we talk about health in America and how to solve the problem, and we outline for two hours a way of thinking about health that I think you would find very dramatic. And we have a long section on entrepreneurial free enterprise, a long section on the spirit of invention and discovery. We start with personal strength, because I don't think you can build a healthy free society unless you emphasize personal strength. And I would suggest to you if you just saw those two hours and compared it to the welfare state, you would understand how radically different our visions of the future are. We have a two-hour section on economic growth and jobs, two hours on saving the inner cities because if we don't save the inner city, this country is just going to collapse. You can't have this level of ignorance and violence and sustain a civilization. And we also talked about citizenship and community -- (inaudible). The 800 number, if you want to call -- and I really recommend it as an internal employee training kind of film -- is 1-800-TO-RENEW -- T-O-R-E-N-E-W. We had over 1,000 calls in January from people around the country calling, and it's just sort of spreading week by week. But the reason I did it as a course -- and I'll just close this, but I want you to think about it. I have a chance today to talk to you at length, but to have the scale of change we're describing, I can't explain it even in a talk this long. The

average television sound bite is nine seconds. If I were Tonya Harding or if I were the Bobbitts or if I were the Menendez brothers, I would get longer on television, but it wouldn't be very positive. But if you think about it, the way our system now works, if you have positive ideas that are seriously intellectual, you will get zero time. If you do something grotesquely weird, you can lead the news. And so I deliberately went out to teach a course. As I said, I did it for free (of price ?) now because I believe it's important for our political leadership to try to explain where we have to go as a country. And as I said, two hours of it are directly related to health, and I think you'd find it very helpful in reframing the health debate back home. Let me, if I might, just throw it wide open to questions, and I'll be glad to try to answer any questions you might have. (Pause.) Unless I've so overwhelmed you there are no questions. Oh, back here. I knew somebody would come through. Wait a second. Let this young lady get to you.

Q (Off mike.)

REP. GINGRICH: I don't know what will happen before the November elections because I think this is -- you know, I remember watching the Kansas City Chiefs go to Houston in the playoffs, and the commentator made the point that it was the 29th game of his professional career where Joe Montana entered the fourth quarter behind and won the game. And so I start with the premise that we're not going to give up until the last vote, the last night. And the machine's not going to give up till the last vote, the last night. So it's a question of whether we can arouse the American people more than they can bully their members, and I don't think you know the answer to that right now. And it's also a question for the president.

I would be prepared today to meet with the Democrats and try to write a bipartisan, market-oriented, personal responsibility-oriented bill. I think we can solve 80 or 90 percent of the problems in the American health system without a new bureaucracy, without more government and without the kind of coercion they believe in. And so they've got to decide at some point, if they find that they can't get their bill through, are they willing to work with House Republicans and Senate Republicans to write a bill that's positive, that the American people will accept? If they are, we can pass a bill this fall with a huge vote. We could pass a bill that had 70 or 80 support.

Now, if they want to continue down the road they used on the tax increase -- remember, they passed the tax increase in the House by one vote. They had a tie vote in the Senate, and the vice president broke it. Now, that means -- if they want to go down the same route the Democrats used last year on the tax increase, maybe they can squeeze something through or maybe it'll collapse. If it does collapse, at that point, maybe they'll come and work with us to pass a good bill or maybe they'll decide they'd rather have no bill and go back to the country and say -- I mean, if it's very tricky. If the Democrats control the House and the Democrats control the Senate and the Democrats control the White House, it's a little hard for the president to campaign against the bad Republicans who wouldn't let them pass a bill. But, on the other hand, he's capable of doing it. So -- I mean -- (laughter) -- you know?

And so they've got to decide at some point what do they want to do. But I will tell you, and I'll repeat it to every audience I go to. I am prepared at any day this year to sit down on behalf of the House Republicans, and Mr. Michel would join me and so would Denny Hastert and Bill Thomas and Tom Bliley and Nancy Johnson and

Marge Roukema. We're very prepared as a team to sit down any day the Democrats want to, to write a bipartisan bill that is market-oriented and strengthens personal responsibility and gives people an opportunity to be involved in controlling their own health care. And we think we can solve 85 to 90 percent of the problems of the American people.

Yes, ma'am?

Q (Off mike.)

REP. GINGRICH: Oh, wait a second. I guess we have only one microphone, so she has to be very quick. (Laughter.)

Q (Off mike.)

REP. GINGRICH: No.

Q (Off mike.)

REP. GINGRICH: No. I think the president and Mrs. Clinton believe -- let me answer that and then I'll go to the second one. The president and Mrs. Clinton, I think, believe that they are so articulate that they were going to sell the country their plan. I believe they sincerely thought that they could run around the country, and as long as they talked compassionately and concerned and caring, that people would say, "Gee, these are really wonderful people and I really do want to give them control of my life." And I think that was a sincere belief on their part, and I think that that's the only way you can explain how they spent the last five months, is that they did everything they could to convince people to entrust them with control over their health care and control over their pocketbook, and it just failed. But I think it was a sincere effort on the part of the Clintons.

Q (Off mike.) (Laughter, applause.)

REP. GINGRICH: First of all, I'm not going to be like the president. But secondly, I have to tell you, because it's a very funny story, since you're here in Washington today, if you read the Washington Post, one of my nicest colleagues in the reporting business is Bob Novak, who is quite a guy and often called the Prince of Darkness, and any of you who watch him on "Capital Gang" know he's very tough. And Novak said really nice things that were quoted about me earlier about -- you know, that I have courage to stand up to the Washington establishment and all this stuff. Well, Novak has a column this morning called "The New Newt," and I want you to read it, and then you'll get to decide if I'm becoming one of them. These are the two complaints Bob has about me. It's very funny and you ought to read it. But it fits your question. He has two complaints about me becoming a regular Republican leader instead of the courageous, honest, forthright person I used to be. (Laughter.) And one of his complaints is about health care. His first complaint about me is this: We are dealing with a budget this week. Our budget is much more specific than the Democrats' and much more direct. We have the Michel-Lott H.R. 3080 in our budget.

So we actually take care of health. The Democrats don't have their health care bill in their budget. We actually have welfare reform in our budget, and we cut off illegal aliens from getting welfare. The Democrats don't have that in their budget.

But we have one controversial item, and I'll let you decide about this. We have a \$500 per child tax credit aimed at middle-class families. Now, I lead a coalition. I

have 176 members. A number of our more moderate members said, "Gee whiz, we're cutting government spending and we're going to have this very strong pro-family \$500 tax plank, and we like it, but we don't want to go back home and explain why we're giving, you know, a Jay Rockefeller \$500 for each of his kids. I mean, Jay's able to take care of himself and has a wonderful opportunity in life given to him by his father and grandfather (and other ?) people who had actually used the free enterprise system" -- (laughter) -- "and it is not fair -- you know, it's not fair to -- you know, we don't want to explain and defend why we're giving him all this money." And not picking on Jay, although it's sort of fun. (Laughter.) And so we cap it at \$200,000, and we say if you're under \$200,000 income, you get \$500 per child, it gradually fades out, and at \$200,000 we figure you have enough total income that you probably don't need the subsidy.

Well, Bob is a very hard line -- no progressive taxation, no means testing, you know, how can you do this? So he beats me up because I am cheating the rich of their \$500. But my defense of it is we have \$110 billion over the next five years set aside in a \$500 tax credit that will take care of every child between the \$200,000 a year income level and be an incentive to families to take care of their children.

And I'll let you decide whether that's a sign I sold out or not. But I think it's a good idea. John Kasich and the House Republicans on the Budget Committee deserve a lot of credit for -- they actually cut the deficit \$150 billion below the Clinton number while providing for a child tax credit and real relief for -- you know, a middle-class family with three kids, we get a \$1,500 credit off their taxes to help them take care of their kids or prepare for college or do what they need to do.

The second example Bob's made at me about is we went to Annapolis last Thursday and Friday with the Senate Republicans and with three of the Republican governments, and we worked to be a team. And I wasn't mean enough to John Chafee. I mean, Chafee has a bill which is more government than I like, but Chafee's a good Republican. And the truth is, if we can hold virtually all the Republicans together and not have three or four of the senators picked off by the Democratic leadership, we're in a position to write a centrist bill that is market-oriented and that makes sense and that doesn't create big government bureaucracies.

And so I'm trying as a leader to hold the whole team together. Because last year we got 176 Republicans in the House and every Republican in the Senate to vote against the tax increase. We made it much harder for the left-wingers to get money out of your pocket. And I believe that, if we can build a team that's common sense -- but the result was that Bob, who is a good friend -- and I think he would tell you, "Watch for Gingrich, because, boy, the minute he gets in there he's just going to become one of them." But anyway, it's a moot question. But it is a problem in the city because you've got to decide every day how to do the right thing. And my only real answer to the column is I tried to show as much courage about columnists as I do about the Congress. (Laughter.) Let's see. This lady's going to come rushing right over to you, sir. Q (Off mike.)

REP. GINGRICH: Well, let me answer that question, as candidly as I can. The positive alternative was the Kasich budget of 1993, the Kasich budget of 1993 which said cut spending first had zero dollars in tax increase and was slightly better than the Clinton budget on deficit reduction. It was cited by Ross Perot in a national

half-hour TV show. He held it up and said, "This is the alternative." It was praised by both The New York Times and The Washington

Post as being a serious budget. They didn't like it because they're liberal, but they praised it. It was in The Wall Street Journal. We were on every talk show we could get on, and we tried to get the message out, that, hey, there is an alternative: It's cut spending first.

And, in fact, if you look at the polling numbers, from the day the president gave his joint session speech to the day of the vote, every week he got weaker. But let me tell you what happened, because I stood on the floor of the House and I watched it. Four Democrats who were against the bill stood in the well of the House at the end of vote -- those of you who've watched C-Span know, you know, we vote for 15 minutes. At the end of the vote, they'd lost the vote, and there were four Democrats standing down there.

One of them, and I physically watched this -- I was standing in the well of the House watching because I knew it was going to happen. One of them actually had -- when the vote's over, you have to vote by signing a card. You sign a red card for no and a green card for yes. One of them was actually holding both cards in a display of courage that I thought was uncommon. (Laughter.) Margolies-Mezvinsky -- and I'm not trying to attack her, but this is a historic fact. You can go back and read about it.

Margolies-Mezvinsky, who is a freshman from a high-income district in the Philadelphia suburbs, who was quoted in The Philadelphia Enquirer in a story with her picture and a headline that day: "I will not be pressured. I'm going to vote my conviction. I'm going to represent my constituents." She stood in the well of the House. Pat Williams, a liberal Democrat from Montana who believes in big taxes and is honestly -- he wins his races by going back home and saying, "Yeah, I believe in government" and puts together a 51 or 52 percent coalition." But at least you have to admire the fact that he's out there being honest of being in favor of big taxes. Williams stood next to her. The speaker and the Democratic leadership stood around her. The other two Democrats each took a half step back. One of them was a Democrat from Arkansas who was holding the two cards. The other was a Democrat, Minge from Minnesota, who didn't want to vote if he could avoid it, but had given his word apparently that, if they needed him, he wouldn't let it get beat. And at the last minute, Williams said, "Let's do it." And I was standing close enough to hear him. And Mezvinsky -- Margolies-Mezvinsky said, "Okay." And she voted exactly against what she had said in her hometown paper that day. Now, when I talked to you earlier about the machine, that's how it works. Let me tell you, I work every day to try to change this city, but until the American people decide they are fed up with their taxes going up, they're fed up with the machine, they're tired of 40 years of rule -- and by the way, you're not just limited to \$1,000. There's a brand-new book coming out called Taxpayers Tea Party, which explains that you can spend as much as you want, so if you don't like the tax increase, take an amount equal to it and go run an independent expenditure and beat one of the people who voted yes. You have every right as an American citizen to be active. You can give up golf for the rest of the year and walk your neighborhood for free. But those of us who are

fighting to change the Congress need your help. What kills us is cynicism and apathy and people who say, "Well, they're all politicians." Well, if they're all politicians, then there's no future for democracy.

And so I would come right back to you and say I don't know how many trade associations that are opposed to Clinton have done a cover story on H.R. 3080. I don't know how many companies that care about an alternative to Clinton have put out brochures on medical savings accounts and have talked to people. I go to every group like this I can go to, and I literally put in between 80 and 100 hours a week. And I need your help in order to do the things you want to do. And if we had had a little more help last summer, we would have beaten the largest tax increase in history despite the Democratic machine. Let me take one or two last questions. Over here. Yes, sir? Right here. Wait for her to catch up with you.

Q (Off mike.)

REP. GINGRICH: Well again, it's a little hard sometimes in the national news media to get coverage for proposals, but I (want to talk to you about ?) proposals that are real, that are in -- you know, people say why aren't you guys willing to be positive? The president gets up and says, "Oh, they're all talking about Whitewater because they don't want to deal with positive legislation." As I said earlier, I've been co-chair of a task force on health since July of 1991. He was governor of Arkansas. She was at the Rose Law Firm. So I don't feel like I have to step back and say, "Gee, we have never done anything."

We have a welfare reform bill in the hopper written by Rick Santorum, by Clay Shaw, by Nancy Johnson, by a number of Republicans, Gary Franks. It's a very good welfare reform bill, and it requires work, and it gives the states for the first time the right to not pay money directly to teenagers when they get pregnant outside of marriage. It goes right at the two core problems of welfare today. It also strengthens the responsibility of males by providing that we should try to determine in the hospital who the father is because with the breakthroughs in DNA, we can match who the father is with 100 percent accuracy. And it's time we told young males, "If you have a child, you have an 18-year economic obligation to help take care of your child," and begin to re-bond those kids.

So we've started on welfare. We think we have very specific provisions. I work with Governor Weld in Massachusetts and Governor Thompson in Wisconsin, with Governor Engler in Michigan, Governor Campbell in South Carolina. They all have good initiatives that say you've got to work, you've got to learn, you've got to have responsibilities, that we do not want to give any money to any able-bodied adult without them working for it.

Now, those are real changes. We want to frankly say to young girls, if you get pregnant, we'll help you with group homes, we'll help you with foster care, we'll help you with orphanages, we'll help you with adoption, but we are not going to give 12, 13, and 14-year olds money directly, and we're not going to give them apartments in public housing, because we have been creating an economic incentive program for young girls to get pregnant outside of marriage and for young men to have no responsibility, and after 30 years, it is in danger of destroying large parts of this country. Eighty percent of the children in some neighborhoods are born outside of marriage. Now, that is destructive of the child. It's destructive of the whole

situation.

Those are real proposals. We could pass them next week if the president would help us.

Let's talk about crime. I'm a history teacher. Crime is not a complicated problem. Crime is a very small number of young males who have been socialized from a culture of poverty into a culture of violence. The total number is remarkably small for a country this size, probably one-fifth of one percent. But what happens to them? I recently met Polly Klaas's father. Polly Klaas, remember, is the young girl who was abducted from her home during her pajama party and, by the way, not killed with a gun, killed with a knife, just as Willie Horton killed with a knife. The man who killed her had been sent up six times, had never served a full sentence. And then, of course, liberals say to you two things -- and I have had this said to me. The first is, "Well, you adopt three strikes and you're out" -- and this was said to me by a leading Democrat who's a lawyer -- he said, "What if some person happens to have two violent felonies when they're young, and then at 45, they happen to get in a barroom brawl and hurt somebody, so it's felony assault? Do you really want them to go away for life?"

That's the mind set you're dealing with. My answer was, "Frankly, if you have two felony assaults for violence when you're young and you have another felony assault at 45 for violence, if my alternative is having Polly Klaas raped and killed, yeah, I want you to go away for life." Yet, you'll find in this city a systematic effort to undermine "three strikes and you're out." Then they say, "Well, if you have 'three strikes and you're out,' what are you going to do about prisons? We don't have enough prisons. This is a country that has a trillion, 500 billion dollar federal budget, and it can't protect you from physical violence, because there are other priorities that are more important. Let me tell how bad it is. There are five million violent crimes a year in America -- felony crimes in America a year. There are 100,000 people who go to jail. Fourteen percent of the convicted rapists serve zero days. Seventy-five hundred rapists a year do not serve a day for the rape. Twenty-eight percent of convicted felons for felonious assault serve no time. Of the ones we send up, a substantial number get out early because we don't have space. Nine hundred and seventy-nine convicted felons a day are released early.

Now, I'll tell you what I would do, and we're trying -- and I've said this openly over and over, and I wish the president would do it. I would take three or four surplus military bases where we already own the land. I would use National Guard engineering battalions during summer camp. I would build as many facilities as we need as fast as we need them. I would charge the states and cities per diem. And I would say, first of all: "Send us every one of your nonviolent criminals. We'll put them in relatively simple detention areas, and we'll make sure that they don't get out.

And that'll clear up all your very sophisticated space for violent criminals."

Second, by the time you've done that -- in California, I'm told, 60 percent of the prison space is used for nonviolent criminals. Second, when you're done doing that, we'll have built enough housing facilities. "You send any surplus violent criminals; we'll charge you per diem." And I'd charge the state what it cost the state in their own prison, plus 5 percent. And that way they'd have an incentive to build their

own prisons.

But I would say as a firm ground rule, by mid summer, the following changes ought to be in place. And if you were serious -- if this was a war, if we had 65 Americans dying in Somalia or Bosnia -- that's how many get killed every day; 65 Americans are killed every day. About 225 are raped every day. If that was happening in a foreign war, we would mobilize the country. We'd cut through the red tape. We'd do what it took. We'd have hearings on why the commander was incompetent. And we'd get the job done.

So I take the following position. By June 1, not a single violent criminal should be released early. We'll find the space. We'll pass "three strikes and you're out." We will change the rules to have effective, believable death penalties. In 1933 when Franklin Roosevelt was shot at and Mayor Surmac (sp) of Chicago was killed, the assassin was executed 34 days later. That was a society that was serious about crime.

Now let me carry it a step further. I would say to juveniles, there are no violent offenses that are juvenile. You rape somebody, you're an adult. You shoot somebody, you're an adult. And I'd get the word out on the street, and I'd put it on MTV and I'd put it on rap radio, and I'd say flatly, "From this day forward, if you harm a fellow American and we can catch you and convict you, you're going up for a long time. We're going to build the space. You're going to do the time." And by the way, I wouldn't lose control of the prisons. I would say, "You're going to work (48 ?) hours a week and you're going to study 12 hours a week." And when somebody says, "Well, you can't make me work and you can't make me study," say, "Fine, we have a little wing of the prison, no air conditioning, no television, and we serve you something that looks like grits without sugar -- I mean without butter -- (laughter) -- and you could -- you want to be bored? (Laughter.)"

Let me mention one other thing and then I'll get out of your hair, but I want to give you an example of hope, something we want to do in this city, something I've been doing now for six years. We have a program called Earning by Learning because I, as a history teacher and as somebody who believes passionately in learning, I think if you can teach people to read, they have a future; if you can't teach them to read, they're in desperate trouble. And it's even more true in the third wave of information revolution that's coming in the future. So about five or six years ago, I knew the welfare state had failed. We have Title 1, we have this, we have that, we have Head Start. My daughter, my older daughter went to Head Start as a child -- (inaudible) -- part of the very early process of Head Start. Something isn't working. So we invented what we call Earning by Learning. Those of you who would like to know more about it could contact Dr. Mel Steely (sp) at West Georgia College in Carrollton, Georgia. Dr. Steely (sp) is in charge of this.

No bureaucracy. But Earning by Learning goes into a public housing project. Any of you could do this back home. We get adult volunteers who know how to read. We go into the public housing project. We find second and third graders who are at risk.

That is, their teachers say these kids may not learn how to read, they're not getting the right learning. We say to those little kids in the summer, "We will pay you \$2 a book for every book you read." Let me tell you. I don't care how poor they are -- single head of household, no books at home, food stamps, no hope -- they

understand the theoretical proposition, "You read, we pay."

Now these -- remember, these are kids are seeing Michael Jackson make millions. They're seeing all sorts of other people make millions. They're seeing baseball stars cut big deals, you know. And the only local way of making money is armed robbery, pimping and prostitution, and drug dealing. They have no hope. And so we say to them, "If you'll read, we'll pay you two dollars a book." The adults come in. The first thing we do is take them to the nearest public library and get them a library card. They get the books for free; that's why you have libraries. They show up every week -- these are children's books. They bring them in. You ask them questions. If they haven't read the book, you send them over to the corner to read it.

If they have read the book, we give them two bucks.

I became what The Wall Street Journal once called a "revolutionary centrist," which is probably the most accurate definition of where I'm at. When we went to Douglas County, Georgia, and we went to the public housing project, an eight-year-old kid said to us, "You're going to cheat us." And we said, "What?" They said: "You're going to get us to read. You'll manipulate us. We'll read. And then at the end of the summer, you won't pay us any money." And I thought to myself, how sick have we become that at eight years of age this is the level of distrust and cynicism? So in Douglas County, we said to them, "Give us one week; we'll pay you that week." Five kids came in, two or three books each -- four dollars, six dollars. The next week, 10 kids came in. We doubled the class every week all summer, because the kid would go out, an ice cream truck would come, he'd go buy an ice cream cone. His friend would walk over and say, "How come you have money?" He'd say, "Oh, I read, you know." (Laughter.)

The principal of an elementary school -- I've been talking about this for six years. People call Dr. Steely (ph) in West Georgia, in Carrollton, and as a result there are about 17 states where people are trying this. No bureaucracy anywhere. Dr. Steely (ph) gets paid a tiny amount of money for very part-time work, and he's the only person who gets any direct money. A principal in Nashville told me the other night -- this is being studied by Vanderbilt now, and a teacher -- a principal in Nashville who's done it two years in a row said not only do the kids increase their reading ability, but they come back to school in the fall and they want a reading club because they're now all reading. She said the second year she began to notice the most exciting phenomenon, which is that some of the parents are now starting to read because their children are bringing home books all the time, and it is the child who is carrying the parent into the process of literacy. Now, let me make this point to all of you, both in terms of hope and progress, this is not about government. I didn't come here today to tell you about the government bureaucratic solution to health, and I'm not sure we're going to have a government bureaucratic solution to the inner city, just as you all represent a successful private sector, innovative, creative entrepreneurial response. But I'll tell you: For 10 percent of the Title 1 money, we would have virtually every second and third-grader in America reading, and they would be reading better than they will read if we quadruple the Title 1 money, because the Title 1 money says we'll hire bureaucrats who will hire bureaucrats who will study bureaucrats who will write paperwork, we'll get down to a teacher -- and

the child is over here. What we say is eliminate the bureaucracy, find a volunteer who loves children, walk into the room, give the money only to the child, only if they work. And notice what we're teaching. We're teaching free enterprise. We're teaching personal strength. We're teaching literacy. We're bonding an adult who knows how to read with a child who may never have been with an adult who knows how to read. We're doing it all for free, without government, without coercion. And it's working.

And my message to all of you is real simple. You have been born the luckiest people in the history of the world. You're Americans. You belong to the most extraordinary society in history. We bring more people from more ethnic backgrounds and give them a greater chance to seek opportunity than any country in the history of the world: to note, Colin Powell and John Shalikashvili. We are a remarkable place, and we have a chance to extend freedom across the planet, and we are beginning to die at our heart because you can't sustain civilization the way things are now going. I came today not just to talk to you about health care but to say to you, whether it's by looking at my course or knowing American civilization or whether it's by doing other things, whether +++++ by being involved back home directly, if you will be full citizens, if you will fight to replace the welfare state, I believe with all my heart that your grandchildren will live on a planet which is free and safe and prosperous not just in America but across the planet. But if you aren't actively involved, if the 40-year machine once again gets what it wants despite the American people, then I think, frankly, the decay will continue and we have a deep and a desperate problem. We need your help.

Thank you. Good luck, and God bless you.

(Applause.)

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LANGUAGE: ENGLISH

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SOCIETY

The Storm over Orphan

Forget Dickens—and forget Gingrich—but some form of group care may benefit the c

By DAVID VAN BIEMA

S EVEN MONTHS AGO, SOON-TO-BE Speaker of the House Newt Gingrich suggested in a speech that unwed teenage mothers should be denied welfare. If they could not support their children, America should tell them, "We'll help you with foster care, we'll help you with orphanages, we'll help you with adoption"—but not with the cash that might keep mother and child together. Orphanages were not the subject of Gingrich's speech, but they were not a throwaway either. The notion reappeared in the Republican welfare-reform bill (with the inflammatory word orphanages changed to "children's homes"), which is a basis for Gingrich's famous "Contract with America."

It was not a smart move. The news media were quick to note the orphanage proposal's obvious incompatibility with "family values." Hillary Clinton told a New York audience last week that the "idea of putting children into orphanages because their mothers couldn't find jobs" was "unbelievable and absurd." Eager to be seen as the way of the future, the Newtonians found themselves tarred with images of the distant, Dickensian past.

Many Republicans were loath even to repeat the dread word. So it was left to a lowly House staff member who handles welfare policy for the Republican conference to deliver its likely epitaph. Were Republican lawmakers serious about the orphanage option? "If they were, they have buttoned their lips. This thing has been mercilessly crucified," he says. "I would not be surprised if

they strike the provision from the bill, because it's given us so much grief."

Nearly everyone agrees that illegitimacy and teen pregnancy are key elements in poverty's vicious cycle and that the government should try to reduce them. Gingrich's orphanage proposal, however, seems punitive—not to mention odd, coming from a man who was born to a 16-year-old mother eight months after she left his abusive father. It would violate federal law, which mandates family-based care over institutions, and ignore the public policy consensus—first expressed by the Teddy Roosevelt White House—that "no child should be deprived of his family by reason of poverty alone."

It would also be a budget buster. According to an analysis done for *TIME* by the Child Welfare League of America, the an-



SURROGATE BROTHER Derrick Greenhill, right, and James Washington room together at Children's Village in Dobbs Ferry, New York

ther dead or have proved themselves abusive or negligent, and whether orphanages should be used to supplement foster placements that don't work out. "Orphanages" proper have been out of vogue for so long that it is hard today to locate a building with "orphanage" in its name. However, a small but growing number of social scientists and social-welfare professionals has been advocating their return. And in so doing, they have broached a disturbing question: Have America's attempts to find families for its abandoned and damaged children failed so badly that some institutionalization looks good?

"JASON," A THIN EIGHT-YEAR-OLD, CRACKS his knuckles as he tries to explain how he ended up at a place called Hollygrove. "It was time for me to go," he says. "I wasn't being bad or nothing, it was time for me to go."

The places he had to leave were foster homes. He liked two of them because "they had a lot of bugs, and I like to catch bugs." Some of his foster parents were nice and some were mean: "They pinched me, or they would spank me." It is impossible for a visitor to tell what really went wrong, and who, if anyone, was "bad." But someone is listening carefully to Jason now. "It's good here because you get to talk to your social worker about stuff that's private," he explains. "You talk about things you miss, or things you want to do."

Hollygrove is filled with kids like Jason. "It's not uncommon to see a seven-year-old who has come in with four failures," says assistant director Bob Morgan. In Hollygrove's seven houses, occupying most of a block in a faded neighborhood of Los Angeles, 54 children are taking a rest from what have thus far been taxing lives. Each house has three "child-care counselors"; there are six full-time social workers, a 24-hour clinic and a visiting psychiatrist. Behavior modification is mild: the kids receive ratings on a point system that is linked to privileges.

Hollygrove is not an orphanage. It is something called a residential-treatment center, a phenomenon very much of the current century. The last time orphanages were seen as a cutting-edge reform was in the 1820s: they removed destitute children from almshouses, into which they had been packed with adult paupers of all descriptions. But when researchers publicized the stunting effects of institutional life, group care gave way to welfare programs that allowed children who were simply poor to remain with their mothers. Children who were "parentless" owing to abuse or neglect or death were remanded into a new system,

foster care. By 1980 the Federal Adoption Assistance and Child Welfare Act had codified the general expert consensus: families were almost always preferable to institutions. Any stay in an institution must be as brief as possible and aimed at reuniting the child with a family—biological, foster or adopted.

Around this mandate grew a loose spectrum of care. The first stop for the children was a foster family. Sometimes adoption followed, but often it did not, in large part because of an official disinclination to terminate parents' rights. Most of the children stayed in foster care, sometimes bouncing from one family to another until they were pronounced "failures." Only then were they sent to group residential programs or—for more troubled children—facilities like Hollygrove. In accordance with the act, children were intended to stay at residential-treatment centers no more than two years. After that, "stabilized" kids were put back into the foster-care system; those still obviously asocial went to small "group homes" with psychiatric supervision.

The progression was always a bit jury-rigged. But in the 1980s it imploded, leaving massive carnage. The crack epidemic unleashed a new tide of kids on overburdened social-service agencies. Beleaguered child-welfare workers juggled huge case loads, and soon the newspapers were filled with horror stories not only about failures to remove children from dangerous homes but also about abuse in foster families and kids who bounced almost unnoticed from one inappropriate foster-care experience to the next. A report commissioned by the Reagan Administration in the late '80s concluded: "Foster care is intended to protect children from neglect and abuse at the hands of parents and other family members, yet all too often it becomes an equally cruel form of neglect and abuse by the state."

A new category of "extraordinary-needs children" was invented and quickly overpopulated by children drug addicted at birth, sexually abused at an early age or impaired by fetal alcohol syndrome. Many were doomed to fail in foster care. Annette Baran, 67, a psychotherapist and adoption expert, recalls, "In 1945, when the Holocaust children began arriving from Europe, everyone was dying to rescue them. But these kids could not be in nuclear families. They were so traumatized they couldn't trust. They couldn't be vulnerable. This is true of today's kids."

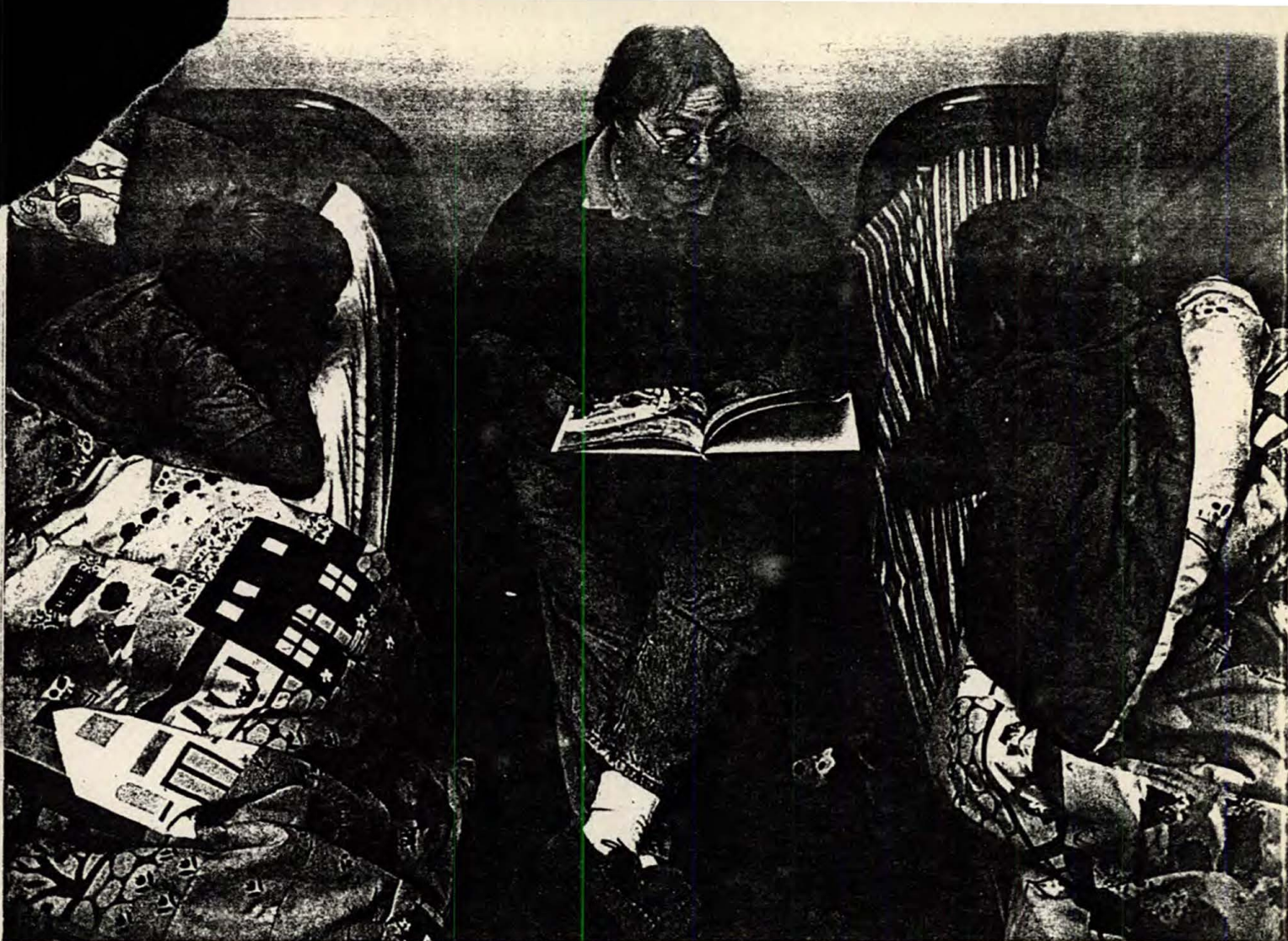
The system buckled, especially in the big cities. In some places the small group homes that absorbed the most troubled kids were themselves rife with drugs, violence and sexual abuse. Recalls 19-year-old Kenyetta Ivy, a survivor of nine New York group homes: "There were rats in the stove. I know some girls who tried to commit suicide, and

nages

children failed by foster care

nual welfare cost of one child living with his or her mother is \$2,644. The same child living with a foster family costs the public \$4,800 a year. The average cost for the child's care in "residential group care," today's closest approximation of an orphanage, is \$36,500. If even a quarter of an estimated 1 million children who would be cut loose under Gingrich's plan ended up in orphanages, the additional cost to the public would be more than \$8 billion.

That said, however, Gingrich perhaps inadvertently stumbled into a contentious ongoing debate among child-welfare experts about "congregate care." The wrangle is not about whether half a million mothers who may love their children should be forced to give them up to institutions. It is about the half a million children already in the system, whose parents are ei-



THEY CALL HER MOM, although their real mother is still alive. Toni Wagner of Illinois' SOS Children's Village doesn't correct them

the staff wouldn't even check on them."

A traumatized child-care community launched the debate that continues today. Some championed earlier and more extended placement of damaged children in residential treatment, maintaining that institutional permanency was far preferable to a nightmare sequence of foster-care failure after foster-care failure. Says Sarah Breeding, Hollygrove's director of social work: "These kids learned through their birth families that adults are going to hurt them. And a foster home is itself a really emotionally charged situation. But they can be successful in residential care." Others argued that foster care had been fairly effective until the '80s onslaught—and could be made so again. "The foster family is the solution to our problems," says Joe Kroll of the North American Council on Adoptable Children. "Professionalize it, support it, compensate it. The costs of foster care would go up, but they would still be far less than the costs of institutions." Awarding foster-parent status—and financial support—to a child's relatives became a new focus.

Then in 1988 a retired senior trial judge in Philadelphia named Lois Forer pub-

lished a heartfelt article in the *Washington Monthly* about children she hadn't been able to save. There was April, age 10 her molesting stepfather had been jailed, but she was forced to continue living with her retarded mother and her alcoholic grandfather because, wrote Forer, "it was the policy . . . to keep the family together." Also Tyrone, 8, whose father, a boxing trainer, had beaten him so badly for wetting his bed that he bore 70 permanent scars: "No agency would even attempt to find placement for Tyrone; the family should be kept together."

IN SUMMATION, THE JUDGE DECLARED, "For at least the past quarter-century, Americans have been captivated by two concepts that have become accepted public policy: deinstitutionalization and preservation of the family. Both are worthy goals pursued to unworthy ends. I suggest that it is time for us to demand that government provide permanent, well-run orphanages for the more than 2 million abused children who are de facto orphans."

Forer's modest proposal drew support from a few child-welfare experts like Joyce

Ladner, now acting president of Howard University, and from such conservative social theorists as Charles Murray and James Q. Wilson. "Not all families are worth preserving," Wilson wrote. "And . . . foster care has its own problems. We don't know as much as we should about how well institutional care might function under contemporary conditions." (To which Murray added, "Think of it as 24-hour day care.")

But it was only in 1993 that a whole state, Illinois, began considering orphanages on a practical level. Between 1986 and 1994, the number of children in the Chicago area's substitute-care system skyrocketed from 8,000 to 36,000. The public faces of this catastrophe appeared in 1993, when a toddler named Joseph Wallace was returned from foster care to his mother, who hanged him with an electrical cord; and again last February, when 19 children were discovered living in squalor in a North Key-stone Avenue apartment.

Such incidents supercharged a campaign by state senator Judy Baar Topinka, who was recently elected state treasurer. "I've lost my patience," she declared in July. "I want to act now. Act yesterday. Kids are being killed, tortured, starved, aban-

She adds now, "Illinois will have orphanages. It's just a question of what form they will take." Both Chicago Mayor Richard Daley, a Democrat, and Illinois Governor Jim Edgar, a Republican, are on board. But perhaps most vociferous on the subject has been Cook County public guardian Patrick Murphy, whose father spent three years in an orphanage. "Foster care cannot handle adolescent kids," maintains Murphy. "What residential care provides is consistency." Consistency is a function of duration-of-stay, however, and proponents await a commission report due out at the end of this month to suggest whether Illinois may actually defy the family-first paradigm and invest more in institutions that do what orphanages once did: hold on to children for five, 10, even 15 years.

Informally, in dozens of residential-treatment facilities around the country, some of this occurs in any case. David Tribble, head of the Bethesda Home for Boys outside Savannah, Georgia, insists, "We're not an orphanage. That's not what we do." Yet at least one child lived at Bethesda for 14 years, and stays of four or five years are not uncommon there and at similar institutions around the country. The trend's most adventurous examples are, coincidentally or not, in Illinois. Hephzibah Children's Association, named after a biblical benefactor, operates a small facility funded by the mostly well-to-do citizens of Oak Park; it accommodates children ages 3 to 11 for however long it takes them to be adopted, thus sparing them the foster-care shuffle. Even more unusual, it allows them to veto adoptive parents they don't like. "They stay here until they find a place they are comfortable with," says executive director Mary Anne Brown.

The average length of stay at Mooseheart, near the city of Aurora, is six years. Run by the Loyal Order of Moose and financed mostly through charity, the institution currently houses 230 children, from infancy to age 18, in 24 houses. Mooseheart, where all placements are made on a voluntary basis, will give a child back to his or her biological parents or legal guardians on request. But Rose Haggerty, its director of student services, states firmly, "We don't try to reunite families. We don't mean to usurp biology, but we promote the idea that the child is growing here."

An even more interesting enterprise is 35 miles southwest of Chicago. The SOS Children's Village in rural Lockport contradicts standard protocol in any number of ways. For one, SOS accepts, or rather seeks, sibling groups, which are difficult to place in foster care. It looks for children 10 and younger—an age at which most states believe children should still be trying to fit into foster homes. And it does so with the goal of long-term residency that replicates—and

replaces—family life. "We are a source of frustration for the Department of Children and Family Services," says Village director Bill Mathis. "They would like us to have a more open policy and offer short-term emergency placements. We felt that if we started that, we would be locked into it."

One of the reasons Mathis may sound so sure of his unorthodox arrangement is that the SOS Village, and a sister operation in Florida, are part of a mammoth chain based in Innsbruck, Austria. Founded in 1949 for war orphans, SOS-Kinderdorf International, now established in 124 countries, cares for a total of 180,000 children. In each "village," the concept is the same: long-term residency and house mothers who commit to 20 years with the project.

So far, the Lockport SOS Village has assembled only 10 of a projected population of 60 children. In one house, Toni Wagner, a Franciscan nun from Dubuque, Iowa, cares for an abandoned family of five siblings, who are white. Michele Haldeman, the "mother"

next door, oversees five children, all black, from three different families. The two "families" mix happily in the common yard.

ONE OF THE MOST TROUBLING UNRESOLVED issues about "congregate care" is its psychological effect. Doctors familiar with children adopted from foreign orphanages have noted delayed cognitive development, an inability to form emotional attachments and alienation. But not everyone shares that view. Richard Hoover, who met his wife Darlene 40 years ago at the Tressler Orphans Home in Loysville, Pennsylvania, says, "I really feel it was the best place to grow up. Though you had no parents, you had no worries. You always had someone to look after you."

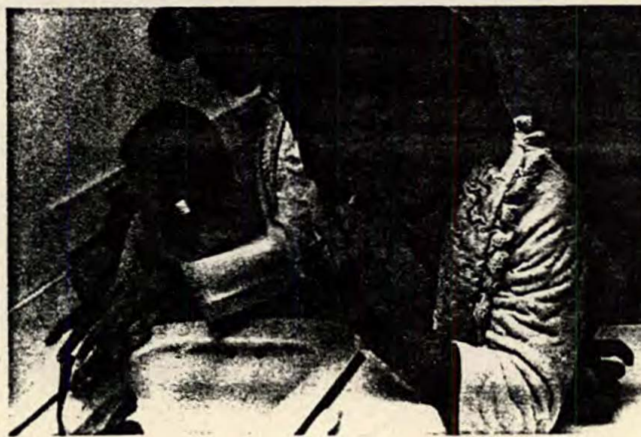
And Jennifer Butler, 19, a graduate of Wayside Union Academy who spent two years in short-term group homes before being placed in the Marlborough, Massachusetts, treatment center, says, "I'm so glad I got help. A lot of kids say, 'They stole

“We don’t mean to usurp biology, but we promote the idea that the child is growing here.”



A COMMON MEAL: "The children who live here don't want to live here," says the director at the Covina, California, Masonic Home for Children. "But they are glad to have the option"

A CONSTANT WATCH: Jennifer, right, dark hair, and sisters Dawn, left, and Alice prepare for bed at the Masonic Home. State law requires that an adult be present and awake 24 hours a day



teenage years from me.' But I would rather be a normal adult than a normal teenager. A lot of teens see 'normal' as having a mom, dad, brother, sister and a dog. But 9 times out of 10, that doesn't become reality, just a fantasy."

Cost alone ensures that the U.S. will not institute congregate care for children on a large scale—quite aside from the abysmal record of most state-run residential-care facilities. "Whatever the abuses in foster care—and there are many—there is absolutely no reason to believe that equal, if not worse, abuse won't occur behind the walls," says David Rothman, a professor of social medicine at Columbia. "The difference will be that nobody will hear the screams." Even at well-regarded private institutions such as Mooseheart, four house parents were arrested and convicted of sexually molesting about a dozen children between 1988 and 1992.

Nevertheless, it may be time to admit that in the case of some subset of the system's children, the American foster family in its current, underfunded state cannot answer their needs. Even Americans appalled by the hard-line rhetoric out of Washington may find themselves supporting further experiments with long-term residential care, whether the word orphanage is attached to them or not. "Steve's" mother gave him up, but she did so only because she was dying of cancer. When he was eight, she sent him to the Bethesda Home, a 50-child establishment on the banks of Savannah's Moon River, which was erected on the site of an orphanage by the same name founded in 1740. The grounds are dotted with live oaks, a herd of cattle roams its own 100-acre pasture, and there is an Olympic-size pool. But there are also intensive instruction in Christian values, psychological counseling and a grueling "total restriction" discipline program that most residents care to experience only once. The home has paid Steve's tuition at a private school in Atlanta and will fund his college education. Because of the circumstances of his arrival, Steve has never been in a foster home, and he has never rotated out—he has spent 10 years at Bethesda. "I've been through four sets of cottage parents," he says, "and I learned something from all of them." Steve has noticed that people who have spent their whole life with a real family don't understand the place, and "some boys say it's a prison and don't like it," he says. "But [to me], it's home away from home. There are people who want to see you make it through thick and thin. I kind of think growing up at Bethesda is going to help me a lot." —Reported by Ann Blackman/Washington, Wendy Cole/Chicago, Jennifer Mattos/New York, Sylvester Monroe/Atlanta and James Willwerth/Los Angeles

PUBLIC EYE

Margaret Carlson

Female Chauvinist Pigs?

IT'S GOT SEX, POWER AND—AS AN EXTRA ADDED ATTRACTION—THAT OTHER American obsession, dieting. It's the reverse-discrimination suit filed by eight men from Boston who found the Jenny Craig weight-loss organization too full of, well, female chauvinist pigs. The girl talk in the office, says plaintiff Joseph Egan, about "who to marry, who is pregnant, how to get pregnant" was offensive, and it was sexist to ask his male colleagues to shovel the snow and insensitive to tell another he was "sensitive for a guy." These men found themselves on a slower track than their female colleagues, and so some of them quit, others were laid off and all of them filed complaints. Last week three of the plaintiffs cleared the first hurdle: the Massachusetts Commission Against Discrimination determined that there was probable cause of gender bias and ordered mediation. The other five are awaiting action.

All are in great demand, however, and not by accident. The first thing they did, after hiring an all-female team of lawyers, was hire a public-relations firm, which alerted the press about the case before the commission ruling. Although last year, according to the Equal Employment Opportunity Commission, women filed 11,000 sexual-harassment complaints and men fewer than 1,000, this case made the front page of the *Wall Street Journal* the next day. And before you could say sweeps week, the *Today* show, *Entertainment Tonight*, *A Current Affair* and *CBS This Morning*, among others, were on the phone to the men's Boston publicist, Paul Dugan. There was much debate among the advisers about how high or low to go on the media food chain—should the guys go for a slam dunk with a super-sensitive host like Maury Povich or risk potentially tough questions on network programs? But not to worry. After accepting air fare and hotel accommodations to appear on *Today* last week, three of the Jenny Craig Eight, prepped like witnesses at the Simpson trial, came off like a bunch of wounded Alan Aldas, shocked—shocked—to be exposed to off-color comments.

Now, there should be nothing wrong with this picture: as women gain power, they may misuse it and sex, as badly as some men. In fact, sexual harassment won't really be taken seriously until it affects men. But the sheer inequality of attention to this case—as opposed to the other 91% of cases filed by women that do not happen to involve a sitting President or a U.S. Supreme Court nominee—can also be seen as one more example of the inequality that made antidiscrimination laws necessary in the first place. All this attention also suggests a man who is sexually harassed has a greater claim on our sympathies—a notion coming this week to a Multiplex near you in *Disclosure*, a movie in which predatory executive Demi Moore accosts sweet, sensitive Michael Douglas. Jenny Craig plaintiff Tracy Tinkham looks more like Joey Buttafuoco than Michael Douglas, but never mind. Perhaps he was succeeding handsomely at counseling overweight women and should have been promoted instead of being let go for breaking a trivial rule. We are asked to believe that these men's having to listen to jokes about push-up bras or being asked to lift a heavy box makes for a winning case and worldwide media attention, when women have been listening to penis jokes and making coffee for decades. Sure, complaints about failing to be promoted simply because they were men in a women's world are serious. But before the Jenny Craig Eight pour their heart out to Sally Jessy Raphael, they should check with all the women who have looked up the corporate ladder and seen 10 men for every woman and wondered how they could prove their lack of success was due to some failure in the corporate culture, and not in themselves. ■



Former Jenny Craig employees Tracy Tinkham and Joseph Egan meet the press

happened if bad luck had left those young women alone and in poverty. I doubt either mom would have given up Bill or Newt to any orphanage without one heck of a fight.

Poor parents struggle every day to give their children the most with the least. And often they are among the best parents. They know children need a secure home, strong values, consistency and love. The love can be as rich and the values as sound in the homes of Watts as in Westchester, in Harlem as in Highland Park.

Those who think otherwise are letting a handful of sensational media stories create a false stereotype in their minds. After all, only a small fraction of the 14 million children classified as poor currently are placed in out-of-home care.

Third, it is important to support families with special problems, including poverty, before giving up on them. Certainly there are cases—too many, and tragically there seem to be more all the time—where parents abuse their children or are unable or unwilling to meet their family responsibilities. Instances of abuse and neglect occur in rich as well as in poor families. But we all know that poor families are more likely to feel the stress of economic troubles and be identified for government intervention. It is more cost-effective and realistic to help avoid family breakup. That is why the President signed the Family and Medical Leave Act, which enables parents to be good parents and good workers by giving them time off without fear of losing their job when a child is born or is sick.

The President also insisted in 1993 on giving working families earning less than \$26,000 a year a tax cut that averaged \$1,000 a family, so that their hard-earned dollars could be spent on their children instead of sent to the government.

The President's budget plan also included funding for family preservation programs like the one I recently visited in Los Angeles. That church-run program receives state and federal funds to help families stay together. The success stories I heard were impressive, and so was the fact that the work being done was cheaper than any foster care or orphanage could ever be.

'Children are almost always best off with their families'

Fourth, whenever dangerous circumstances do exist, children must be protected from harm and moved into alternative settings outside their family. But this should only occur as a last resort to keep the child safe.

When children are endangered and only the government has the right to intervene, government must act quickly and decisively to protect them. But removing children from their parents is—and should be—difficult because of the seriousness of the matter, and because available options outside the family are not always good ones. Too often, children are left to languish in the insecurity of the foster care system or with inadequate institutional care. When the govern-

underlying principle in welfare reform. It is the crux of welfare reform legislation the President presented to Congress last year. And it is what the President was working for when he gave 24 states waivers to promote their own versions of welfare reform.

In the coming debate, I hope we can all agree to launch a national campaign to discourage teenage pregnancies and to require fathers to take responsibility for their children and pay child support when marriage doesn't occur or divorce does. We should insist that young men who casually father children admit paternity. We should help young women on welfare who are yearning to be good mothers acquire the skills they need to move out of welfare and into work. We should encourage the adoption of children who cannot be returned to their parents. We should insist that any institution we establish for children meet

standards of care and safety that we would demand for our own children.

I grew up in a Republican family and, although I'm now a Democrat, I always thought the Republican Party believed in the value of family—not in government intrusions into family life. It is my hope that we can now put the war of words about orphanages and the slogans about welfare families behind us and join together—as parents, teachers, ministers, community leaders and policymakers—to fulfill our responsibilities to America's children. Too often in the past, we've assumed that only the family, or only the government, was responsible for ensuring the well-being of children. But personal values and national policies must both play a role.

As the National Conference of Catholic Bishops said in its 1992 pastoral letter entitled, *Putting Families First*: "No government can love a child, and no policy can substitute for a family's care. But, government can either support or undermine families. There has been an unfortunate, unnecessary and unreal polarization in discussion [about] how best to help families. The undeniable fact is that our children's future is shaped both by the values of their parents and the policies of our nation."

I have a feeling if Father Flanagan were here to take part in this debate, his view would reflect the wisdom of the bishops. Taking responsibility for the children in our own lives and all children is the most sacred duty we have.



ROB NELSON—BLACK STAR

Promoting Father Flanagan: Gingrich autographs a photo from 'Boys' Town' at a Georgia screening

ment is forced to remove a child, it should be required to find the right solution promptly.

The point I have tried to make for years is that any decision to separate a child from his parents should be made solely on the basis of the child's safety and well-being. We should never permit children to be taken from their families simply because the parents are poor, unmarried or lacking education.

So let's put first things first. Our greatest energy should be spent promoting responsible parenting and independence from the welfare system—all with a view toward building strong families and creating conditions in which children can flourish. Children's welfare should always be the

The Fight Over Orphanages

Welfare: Let's move to a discussion of what is best for the children that is open, honest and fair

BY HILLARY RODHAM CLINTON
Hillary Clinton recently dismissed as "absurd" the idea of taking poor children away from their homes and putting them in orphanages. Newt Gingrich retorted by suggesting that the First Lady rent the 1938 movie "Boys' Town," adding, "I don't understand liberals who live in enclaves of safety who say, 'Oh, this would be a terrible thing. Look at the Norman Rockwell family that would break up.' The fact is we are allowing a brutalization and a degradation of children in this country, a destructiveness."
 NEWSWEEK asked Mrs. Clinton for her response:

I AM HEARTENED THAT the well-being of children and families increasingly is a focus of national attention as more and more Americans express their frustration with the failings of the welfare system, high rates of illegitimacy, irresponsible parenting, poor schooling, drugs and violence. And I applaud our nation's determination to do something about these problems.

Over the past 25 years I have spent a lot of time and energy working to strengthen families and help children. There is nothing about which I care more. I have volunteered in institutions serving children in homeless shelters, group homes, children's hospitals and schools. In Arkansas, I started programs to teach parenting skills to welfare recipients and worked with advocacy groups to improve education, health care and child care. I have served on committees to combat youth violence and child abuse. And I have written about the legal rights and responsibilities of children in their families and society.

I also understand the frustration that many Americans feel toward government bureaucracy. As a children's advocate and

lawyer, I waged plenty of my own battles with government and represented foster children and parents in lawsuits against government bureaucracies. On a more personal level, I have struggled with the anguish caused by terminating the parental



LARRY DOWNING—NEWSWEEK

The First Lady: 'I doubt either mom would have given up Bill or Newt without one heck of a fight'

rights of mothers who desperately love their children but are unable to care for them. And I have had to explain to abused children, who fear loneliness more than harm, that being taken from the only home they know is for their protection and not their punishment.

Based on these experiences, I know that when any of us talk about what is best for children, we should start with a large dose of humility, and then be willing to struggle through the hard questions posed by the collapse of families.

Take the orphanages debate, for example. There is no doubt that many Americans have benefited from being raised by caring people in orphanages. On the other hand, I disagree with those who

suggest that children should be taken from their parents and put in orphanages solely because they were born out of wedlock and their parents are poor. This is big government interference into the lives of private citizens at its worst.

As we debate welfare reform, I hope we will learn from the recent verbal skirmishes over orphanages how public discussion of critical issues can be confused and bogged down by polarizing language. I agree with the recent comments of Speaker Gingrich, who said last week that the debate over orphanages had become distorted and cheap. Let's move on to a discussion that is open, honest and fair. If we do, perhaps we will be able to look back at the orphanage debate as a cautionary lesson in how to discuss sensitive and important matters, and not to characterize whole groups of

Americans with broad, unfair stereotypes that will not lead us to positive or fair solutions.

Like most Americans, I too am deeply disturbed by the outrageous rates of out-of-wedlock births and the welfare dependency they bring. And my heart breaks every time I hear another story about a mother or father who abuses, neglects or kills a child.

But more than two decades of working on children's issues has taught me that there are no simple solutions to such complex human problems. I also have learned that there are some absolutely bedrock principles when it comes to ensuring the well-being of children.

First, children are almost always best off with their families. Our legal system presumes that a child should be with his or her parents unless

there is convincing evidence that abuse or neglect threatens a child's well-being. That standard should not be changed. But we should look for better ways to identify children at risk, move quickly to help their families and, as a last resort, move children to the best possible out-of-home placement.

Second, those who believe poverty is a disqualification from good parenting probably have not been in the company of poor but hardworking parents. Both the President and the Speaker lost their fathers, one through death, one through divorce. Each of their young mothers eventually remarried, and each boy was then adopted by his new father. But one can only imagine what might have

The recent verbal skirmishes over orphanages illustrate how easily our public debate over the needs of children and families can become confused and unhelpful. Over the past twenty-five years, I have spent a lot of time and energy on children's issues. There is nothing about which I care more. I am heartened that the well-being of children increasingly lies at the heart of Americans' discussions of public policy and family and community values. Even though this debate began with slogans, it is useful to begin, but we need to conduct it on a more substantive, less political basis.

The safety of children in their homes, schools and neighborhoods, the rebuilding of the economy with enough jobs at family-supporting wages, the moral development of our children, and improving the systems for our children's health and education are particularly urgent concerns. Each is interlinked. For example, moral development depends on the child's relationship to parents, but when they have to struggle economically, less time is spent with children. The greater the economic stress, the greater the social stress.

This growing energy to face the problems of our nation's children is a wonderful development -- if we choose positive and effective solutions. That is why we should look at the orphanage debate as a cautionary lesson about how to discuss such sensitive and important matters.

Did the Republicans mean to suggest that poverty was a disqualification for effective parenting in advancing the idea

that children should be removed from their parents and placed in orphanages solely because their parents were impoverished?

That is what they were proposing when I called the idea "absurd." After I and others questioned the proposal, Newt Gingrich tried to shift the ground of the argument by accusing me of preferring to have children killed than be placed in safe havens like the movie version of "Boys' Town."

Here's the way he did it on "Meet the Press" on December 5th:

"Ms. Myers: Congressman, I'd like to focus on welfare reform. The First Lady, Hillary Rodham Clinton, came after you last week, saying that your proposal to put the children of mothers who could not afford to support them in orphanages was both unbelievable and absurd. How do you respond to that?

Mr. Gingrich: I'd ask her to go to Blockbuster and rent the Mickey Rooney movie about 'Boys' Town.

I mean, my answer to her in part is, you know, the little four year-old who was thrown off the balcony in Chicago would have been a heck of a lot better off at Boys' Town, that the 11 year-old who was killed after he killed the 14 year-old might have had a chance to live in a supervised boarding school, that the children you see in D.C. killed every weekend might be better off in a group home or a foster home."

Now all of a sudden I'm painted as defending child killers and Gingrich is advocating voluntary group or foster homes.

Was this enlightening? I spoke in shorthand when I said "absurd" which didn't help anyone understand my position, and Gingrich couldn't decide what he favored, but knew his party had caused a ruckus by equating poverty with abuse, so, being the effective debater he is, he shifted position.

OK -- time-out. We need a full debate on the merits which is less polemical, because the stakes are ultimately not about anyone's political advancement. The real question is what's best for our children.

From more than two decades of experience with children's issues, I have learned that there are no simple solutions. But I have also learned that there are some absolutely reliable bedrock principles.

First, children are best off with their families 99 times out of 100. Our society has always felt that a child normally should be with his or her parents unless there is abuse or neglect. Regardless of economic status or cultural background or community or region of the country, almost all American parents work hard at the tasks and joys of giving their children a solid start in life. Parents know that children need a secure home, strong values, consistency and love. The love is as rich and the values are as sound in the homes of Watts as in Westchester, in Harlem as in Highland Park.

Second, those who equate bad parenting with poverty must not have experience with these poor but hardworking parents. Poor parents who struggle every day to give their children the most

with the least are among the best parents. The reality does not support their simple equation. Rather, they are just letting a handful of the most sensational media stories create a false stereotype in their minds. At the turn of the century, this prejudice was focused on the new immigrants in America. Now, those families are considered in the light of nostalgia to be an ideal model.

Clearly, poverty and unemployment are not assets to young parents -- nor have they ever been. Nor are they indicators that the parents are unfit. If they were, our nation would have fifteen million rather than one half million children in out-of-home care.

Certainly there are cases -- too many, and tragically there seem to be more all the time -- where parents abuse their children or are unable or unwilling to meet their family responsibilities. Many of these parents are not poor. Whenever this happens, children must be protected from harm and moved into alternative settings outside their family. But this should happen only because it is needed to keep the child safe.

Even when we do our utmost to build and sustain strong families, some families fail, and some parents harm their children. Then we must intervene quickly and decisively to protect the children. And we must find the right solution for the individual child, because not even abused and neglected children, much less poor children, come from cookie-cutters.

Our nation has made great progress on behalf of children in this century, from enacting child labor laws in the early years to family and medical leave last year. But even with that progress and our genuine concern for children, too many American youngsters today are exhibiting signs of distress at earlier ages as their families fail them and institutions that once supported and nourished family life have frayed. In some ways our worst-off children are the leading edge of a broader social change in which millions of American children whom we would never consider abused or neglected still have suffered erosion of family and community support. As parents struggle to balance the demands of work and family and the family as an institution has confronted growing strain, children from all backgrounds have suffered.

The seeds of abuse and neglect are many: drug-abusing parents, parents without resources, families isolated from social service, parents who were themselves abused as children and who have been unable to avoid repeating the pattern. And the ways to protect and heal the children are similarly diverse: care with non-parental relatives in some instances, in foster homes in other cases, in institutions in yet others, and, when possible to do so safely, back in the parental home if the problem is being cured and it is absolutely safe for the children.

So long as children are safe and nurtured, the parental home is the place to be. And, given how expensive out-of-home care is, this is one of those lucky instances where what is the better way is also the less expensive way.

Any parent, and any child development specialist, can tell you that creating stable, secure families must be our first line of domestic national defense. Our greatest energy must be focused on building support systems that help both poor and non-poor parents raise children, that encourage strong neighborhoods, and that provide networks which enhance the safety and well-being of the youngest and most vulnerable among us. These support systems can be knit together from families, schools, religious institutions, civic organizations, and whole communities in a way that unite us on behalf of children rather than divide us along political, ideological or polemical lines.

These are the core problems that we must address. Rather than getting bogged down in a partisan political debate, parents, policymakers, experts, advocates, and government leaders must join together to find reasonable methods of ensuring that every child is raised in a safe and healthy environment. If the government deprives families of the support they need, pushing parents into extreme conditions that breed irresponsibility, abuse and neglect, not only will families, but the social fabric will be ripped apart. We need to find ways for all American families to get stronger support from both the public and private sectors, ways to reduce abuse and neglect and have fewer children at risk, and ways to assure that children who are abused and neglected get the interventions they need.

families are under
greater stress →
family breakdown →
more neglected
in peril

Children are
more at risk
families undermined
by economic & social
factors

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You know, I have a feeling if Father Flanagan were here to take part in this debate, his view would reflect the wisdom of the bishops.

When it comes to building our nation's future, Americans have a long history of putting children first by finding sound, common sense practical solutions. We cannot put our children second, least of all to sloganeering. We must not abandon the wise principles we have applied to such great effect in the past. These principles and our experience must be our guide as we face the new and difficult challenges of today. Taking responsibility for our children is the most sacred duty in our lives. We have to get it right!

UNDER SECRETARY OF STATE
FOR GLOBAL AFFAIRS
WASHINGTON, D.C. 20520-7250

Dec 15

Dear Veronica -

For the Women's Conference delegation:

Chair: Ann Richards - absolutely first choice

Dottie Lamm

Yvonne Burke

Martha Lane Collins

Kathleen Brown

Co-Chair: Julia Chang Bloch (pro-choice;
Bush's Amb to Nepal; speaks Chinese)
Christine Whitman

And name House + Senate vice-chairs at the same time

Morella

Snowe

Schroeder

Mikulski

Vim

TD: Maggie

Jisa

Melanne

Jisa

for your review

before HRC gets back. Pam

The recent verbal skirmishes over orphanages illustrate how easily our public debate over the needs of children and families can become confused and unhelpful. Over the past twenty-five years, I have spent a lot of time and energy on children's issues. There is nothing about which I care more. I am heartened that the well-being of children increasingly lies at the heart of Americans' discussions of public policy and family and community values. The safety of children in their homes, schools and neighborhoods, the rebuilding of the economy with enough jobs at family-supporting wages, the moral development of our children, and improving the systems for our children's health and education are particularly urgent concerns.

This growing energy to face the problems of our nation's children is a wonderful development -- if we choose positive and effective solutions. That is why we should look at the orphanage debate as a cautionary lesson about how to discuss such sensitive and important matters.

Did the Republicans mean to suggest that poverty was a disqualification for effective parenting in advancing the idea that children should be removed from their parents and placed in orphanages solely because their parents were impoverished?

That is what I thought they were proposing when I called the idea "absurd." After I and others questioned the proposal, Newt Gingrich tried to shift the ground of the argument by accusing me of preferring to have children killed than be placed in safe havens like the movie version of "Boys' Town."

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Now all of a sudden I'm painted as defending child killers and Gingrich is advocating voluntary group or foster homes.

Was any of this enlightening? I doubt it. I spoke in shorthand when I said "absurd" which didn't help anyone understand my position, and Gingrich couldn't decide what he favored, but knew his party had caused a ruckus by equating poverty with abuse, so, being the effective debater he is, he shifted position.

OK -- time-out. The real question should be what's best for children?

From more than two decades of attention to children's issues, I have learned that there are no simple solutions. But I have also learned that there are some absolutely reliable bedrock principles.

The first is that 99 times out of 100, children are best off with their families. Our society has always felt that a child normally should be with his or her parents unless there is abuse or neglect. Regardless of economic status or cultural background or community or region of the country, almost all American parents work hard at the tasks and joys of giving their children a solid start in life. Parents know that children need a secure home, strong values, consistency and love. The love is as rich and the values are as sound in the homes of Watts as in Westchester, in Harlem as in Highland Park.

Those who equate poverty with bad parenting aren't talking to or seeing the many poor parents who struggle every day to give their children the most with the least. Rather, they are just letting a handful of the most sensational media stories create a false stereotype in their minds. Clearly, poverty and unemployment are not assets to young parents. But neither are they indicators that the parents are unfit. If they were, our nation would have fifteen million rather than one half million children in out-of-home care.

Certainly there are cases -- too many, and tragically there seem to be more all the time -- where parents abuse their children or are unable or unwilling to meet their family

responsibilities. Whenever this happens, children must be protected from harm and moved into alternative settings outside their family.

But this should happen only because it is needed to keep the child safe. Any parent, and any child development specialist, can tell you that creating stable, secure families must be our first line of domestic national defense. Our greatest energy must be focused on building support systems that help both poor and non-poor parents raise children, that encourage strong neighborhoods, and that provide networks which enhance the safety and well-being of the youngest and most vulnerable among us.

These support systems can be knit together from families, schools, religious institutions, civic organizations, and whole communities in a way that unites us on behalf of children rather than divides us along political, ideological or rhetorical lines. The fabric will only be ripped apart, however, if the government pursues policies that deprive families of the support they need and that push parents into the extreme circumstances that breed irresponsibility, abuse and neglect.

But even when we do our utmost to build and sustain strong families, some families fail, and some parents harm their children. Then we must intervene quickly and decisively to protect the children. And we must find the right solution for the individual child, because not even abused and neglected children, much less poor children, come from cookie-cutters.

The seeds of abuse and neglect are many: drug-abusing parents, parents without resources, families isolated from social services, parents who were themselves abused as children and who have been unable to avoid repeating the pattern. And the ways to protect and heal the children are similarly diverse: care with non-parental relatives in some instances, in foster family homes in other cases, in institutions in yet others, and, when possible to do so safely, back in the parental home if the problem is being cured and it is absolutely safe for the children.

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These are the core problems that we must address. Rather than getting bogged down in a partisan political debate, parents, policymakers, experts, advocates, and government leaders must join together to find reasonable methods of ensuring that every child is raised in a safe and healthy environment. We need to find ways for all American families to get stronger support from both the public and private sectors, ways to reduce abuse and neglect and have fewer children at risk, and ways to assure that children who are abused and neglected get the interventions they need.

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When it comes to building our nation's future, Americans have a long history of putting children first by finding sound, common sense solutions. As we face new and more difficult challenges today, we must not abandon the wise principles we have applied in the past. Taking responsibility for our children is the most sacred duty in our lives. We have to get it right!

Gingrich Offers Defense of Plan On Orphanages

Special to The New York Times

WASHINGTON, Dec. 4 — Using Hollywood to rebut Dickens, Representative Newt Gingrich today defended his proposal to use orphanages to reduce welfare rolls against critics like Hillary Rodham Clinton, who last week called the idea "unbelievable and absurd."

Appearing on "Meet the Press" on NBC, Mr. Gingrich, the Georgia Republican who is expected to become the next House Speaker, suggested that Mrs. Clinton and similar critics should watch the movie "Boys Town."

The 1938 film stars Spencer Tracy as Father Flanagan, a Catholic priest who founded a home in 1917 for abused or delinquent children, and Mickey Rooney as a troubled boy who reforms himself at the home.

"I don't understand liberals who live in enclaves and safety who say, 'Oh, this would be a terrible thing; look at the Norman Rockwell family that would break up,'" Mr. Gingrich said. "The fact is we are allowing a brutalization and a degradation of children in this country, a destructiveness. We say to a 13-year-old drug addict who is pregnant, you know, put your baby in a dumpster, that's O.K., but we're not going to give you a boarding school, we're not going to give you a place for that child to grow up. There is no place."

Mr. Gingrich supports a proposal that would overhaul the welfare system, allowing states to end payments to unmarried women under 21. He has said that states could use that money to run what he today called "a boarding school or a group home."

Mrs. Clinton last week criticized "the unbelievable and absurd idea of putting children into orphanages because their mothers couldn't find jobs." Other critics have assailed Mr. Gingrich's proposal as expensive.

While critics have harked back to the harsh image of orphanages as portrayed in Dickens novels like "Oliver Twist," Mr. Gingrich said that in the 19th century, orphanages were places where women brought children voluntarily.

Mr. Gingrich spoke of the shocking number of cases in which young mothers abandoned infants. "Wouldn't it have been better for those mothers to have known, here's an 800 number I can call," he said. "Here are people who want children to take care of, and I don't have to dump them in a trash dumpster."

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PRESERVATION

About Those 'Orphanages'

The 'welfare crisis' is better described as a crisis of character development

BY GEORGE F. WILL

WITH A TENDENTIOUSNESS THAT SEEMS CHARACTERISTIC, Hillary Clinton has entered the welfare reform debate by denouncing "the unbelievable and absurd idea of putting children into orphanages because their mothers couldn't find jobs." But the serious idea being considered by serious people is that infants whose mothers are, say, 16, unmarried, uneducated, unemployed, addicted and abusive might be better off in institutions. Ms. Clinton should be shown James Q. Wilson's recent lecture to the Manhattan Institute. It demonstrates how to bring intellectual honesty and humility to bear on the problem of character development, the problem that is commonly called the "welfare crisis."

Anxiety about America's communal life largely concerns the intergenerational transmission of poverty in an underclass crippled by family disintegration. The process by which that class reproduces itself severely damages children, and there is no reason to expect the damage to be stopped by a spontaneous regeneration of responsibility, civility and commitment. Furthermore, says UCLA's Wilson, there is disagreement about whether the problem arises from structural, rational or cultural causes.

The "structural" explanation is that good jobs have moved to urban peripheries, leaving young men without the sort of work that provides money and self-respect. These men abandon both the search for work and the work ethic. The "rational" explanation is that welfare benefits render the formation of stable two-parent families unnecessary. "These benefits," Wilson writes, "have induced young women wanting babies and a home of their own to acquire both at public expense and have convinced young men that sexual conquest need not entail any personal responsibilities." The "cultural" explanation is that traditional family life organized around child rearing is a discipline subverted by "a culture of radical self-indulgence and oppositional defiance fostered by drugs, television, videogames, street gangs and predatory sexuality." The flight of middle- and working-class people drains cities of the social capital of attitudes, activities and commitments that are necessary to block the sweep of such pathologies.

All three explanations are pertinent, but Wilson warns that "people define problems so as to make them amenable to solutions that they favor for ideological or moral reasons." Liberals emphasize the structural explanation because it licenses social engineering by government—job creation, job training, even relocating the inner city poor to urban peripheries. Conservatives favor the rational and cultural explanations because they like the programmatic implications. The rational explanation points toward cutting or abolishing welfare or linking it to behavioral changes by recipients, such as acceptance of work. The cultural explanation encourages attempts to alter the inner city ethos by means of religious and other private redemptive movements. The government is relegated to a supporting role, perhaps providing, for example, group homes where at-risk children and their young mothers can be sheltered from the culture of the streets while receiving care and guidance.

The principal problem with a structural strategy is the thinness of evidence of a causal connection between the worsening of job opportunities and the weakening of families. Besides, cultural differences seem to account for dramatic differences among racial and ethnic groups regarding the readiness to search for jobs. Mexican-Americans in Los Angeles, for example, are famously diligent. And the government's worker training and job placement programs have had only slight effects on welfare rolls.

The rational strategy is supported by evidence that states with high welfare payments tend to have high rates of births to welfare recipients. And increases in welfare were strongly correlated with increases in illegitimate births from the early 1960s until about 1980. Then the value of the welfare package stopped rising, but illegitimacy did not. There are large differences in illegitimacy rates between racial and ethnic groups. For example, since the Civil War, blacks have had higher illegitimacy rates than whites, even though there were no federal welfare programs until 1935. However, black illegitimacy rates are low in some Northern states where welfare payments are relatively high, and black illegitimacy rates are high in the Deep South, where welfare payments are low. Cultural factors clearly are having consequences.

What, then, of a cultural strategy? Cultural regeneration cannot be legislated; least of all can it be skillfully implemented by the federal government. States are more promising sources for regenerative support, for two reasons. "First," says Wilson, "there are 50 of them." (Trust a past president of the American Political Science Association to notice this.) Therefore, the odds are better for electing a few smart and bold governors whose experiments might teach us something than are the odds of electing a smart and bold president. Second, because there are 50 states, they must compete—for residents, employers and good credit ratings. "They cannot afford to attack crime and illegitimacy and gang warfare merely by grandiose

rhetoric and the signing of bills in the Rose Garden." If the salvation of children is the paramount objective, and it should be, then Wilson believes local jurisdictions might usefully revive the kind of boarding schools—they would serve more than orphans—that earlier in this century provided homes and education for more than 100,000 young Americans. By the way, does Ms. Clinton disapprove of Boys Town of Nebraska, and the many institutions around the country providing similar services?

Attuning child care to healthy communal voices is the central challenge posed by the great cultural change of this century. That change, says Wilson, is "the emancipation of the individual from the restraints of tradition, community and government." This emancipation has been hugely beneficial to most people, but has been ruinous to people made vulnerable by their lack of the internal restraints of good character. What can government or, for that matter, private groups do for character development? "I do not know," says Wilson, using a four-word phrase that would be a becoming addition to Ms. Clinton's rhetorical repertoire. However, the first step toward progress in solving a problem is precision in the statement of the problem. This Wilson has provided.



*'I do not know'
is a phrase
Ms. Clinton
might try
every now
and then*

The Orphan

The word conjures up heartless images. But as the welfare debate escalates in Washington, the question grows louder: is it time to take a new look at an old institution?

JIMMY IS REAL, THOUGH his real name isn't Jimmy. He is 17 and lives in a group home for troubled teens not far from New York City. The home is OK and Jimmy is OK: he's doing well in school and intends to go to college. Jimmy is a survivor against overwhelming odds—and his life story, as told by Jimmy himself, proves it.

"It all started when my father and mother met in a bar," Jimmy said in an autobiography written for his English class. "Most relationships that start like this usually don't turn out okay." This one didn't. Jimmy's father smoked crack and drank; his mother smoked pot. They had kids—three boys and a girl—but, as Jimmy says, his parents "were so disorganized and dependent upon drugs that they would leave a pot of food on the ground and make us eat from it. While we were eating, they would both leave and go their separate ways."

The state intervened and put the kids in foster homes. Foster care can work. But Jimmy was beaten by his foster parents and moved many times to different homes. (This period of his life is mostly a blur.) At 9, he was placed in a Roman Catholic home for boys. Four years later he moved in with his grandmother. Jimmy loves her, but she was very poor and the neighborhood was terrifying. After two rocky years, Jimmy wound up at the group home where he now lives. He is still at risk, and he knows it. "The drugs, the drink—it's in my family history," he says. "I want to get away from it."



Some 80 years ago, one of the first residents of Boys Town makes a mute—and timeless—plea

There are nearly 500,000 kids like Jimmy in America today, and the chaotic pattern of his young life, in a child-welfare system that is appallingly overburdened and routinely destructive, is an example of a national dilemma that is rapidly getting worse. That is partly (but only partly) because the family is breaking down. Divorce and illegitimacy are up. Child abuse and child neglect are up. Proper nurture—by stable, responsible, loving parents—is increasingly hard to

find. Most Americans already know this. What is new and different, and what clearly portends a fundamental shift change in America's approach to the problem of unwanted and uncared-for kids, is our national frustration with welfare.

Welfare reform is a hot subject in Washington these days, and even liberals are playing the game. Now, however, the Republican majorities in both houses of Congress are escalating the debate to new and tougher levels. Essentially, the conservatives want to end welfare because they believe it fosters dependency and creates a financial incentive for young women to have babies they cannot care for. The theory is clearly debatable: whatever is going through the mind of a 14-year-old girl at the moment of conception, a monthly check totaling, say, \$322 cannot be decisive. But the Republicans are targeting welfare anyway, and that means drastic restrictions on AFDC (Aid to Families With Dependent Children) and potentially vast disruption in the child-welfare system that AFDC supports. Ultimately, it may very well mean resurrecting the old and long-discredited idea of The Orphanage.

The word sticks in the craw. It evokes the moral hypocrisies of the Victorian Age—its heartless distinction between the deserving and the undeserving poor, its belief in harsh discipline for the young and its pious acceptance of institutional warehouses packed with pathetic waifs. Those connotations are the reason orphanages have suddenly become a red-hot partisan issue inside the Beltway—why Democrats demoralized by the 1994 election results are using the

A half million children are now in government-funded substitute care, 75 percent of them in foster homes

Teenage



PHOTOCOPY
PRESERVATION

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word to caricature the conservative approach to welfare reform and why Republicans are furiously backpedaling. It is a fact that Rep. Newt Gingrich's newly announced welfare-reform bill would allow (but not direct) state governments to use federal funds to establish orphanages if they chose. And it is a fact that some Democrats—George Stephanopoulos, for example—are jeering. "We'll mail all the Republican members [of Congress] a copy of 'Oliver Twist,'" Stephanopoulos said recently. The orphanage idea, Hillary Rodham Clinton declared in a speech last week, is "unbelievable and absurd."

BUT THE OTHER IMPULSE BEHIND the orphanage revival is the concern, now verging on panic, for the catastrophic decline of proper child-rearing practices among the poor. The alarm over single-parent families, a fixture of the welfare debate for the past 20 years, seems almost nostalgic at a time when many thousands of welfare mothers are addicted to crack. "Just as heroin in the 1960s contributed to the rise of single-parent families, so will crack soon give us the no-parent child as a social problem," New York Sen. Daniel Patrick Moynihan wrote in 1989. "We are likely to respond to this development by re-establishing orphanages."

In essence, Moynihan and many others argue that America must intervene to save the children of the drug-dependent poor to avert an even larger social crisis in the next generation. This belief is buttressed by evidence that the child-welfare system is close to breaking down. Foster care is the most important case in point. The number of children in some kind of "out-of-home care" has jumped from 300,000 to at least 460,000 since 1987, and Eileen McCaffery, executive director of the Orphan Foundation of America, says "The numbers will soon overwhelm the system." Foster-parenting is tough, emotionally exhausting work, and the pay is lousy: between 1985 and 1990, according to the National Foster Parent Association of America, the number of families participating dropped by 27 percent.

Meanwhile, the churches and private charities that operate group homes—today's orphanages—uniformly report a huge increase in applicants and a chronic shortage of funds. Boys Town, the legendary home for troubled teens near Omaha, Neb., says it turns down eight to nine applicants for every child it admits—and that the cost of housing and educating each kid now ranges from \$40,000 to \$48,000 a year. Father James Close, superintendent of the

Mercy Home for Boys and Girls in Chicago, says the mushrooming costs of institutional care probably dooms the movement to bring back the orphanage. "Let's say we had an unlimited budget and 5,000 Mercy Homes. So what? They're going to keep coming in droves—they're just multiplying out there." Worse yet, he says, the behavior problems exhibited by kids 15 years from now "are going to be far more severe."

Only very large orphanages could handle the flood. But those are the very institutions that progressives shuttered decades ago—and with good reason. Ronald Feldman, dean of the Columbia University School of Social Work, helped redesign Boys Town into a series of group homes in the 1970s. "By and large, orphanages weren't fiscally responsible and large numbers of kids came out of them with serious problems," he explains. "How are you going to put 500, 800, 1,000 kids in a large institution that is at once caring and confining?" says social and

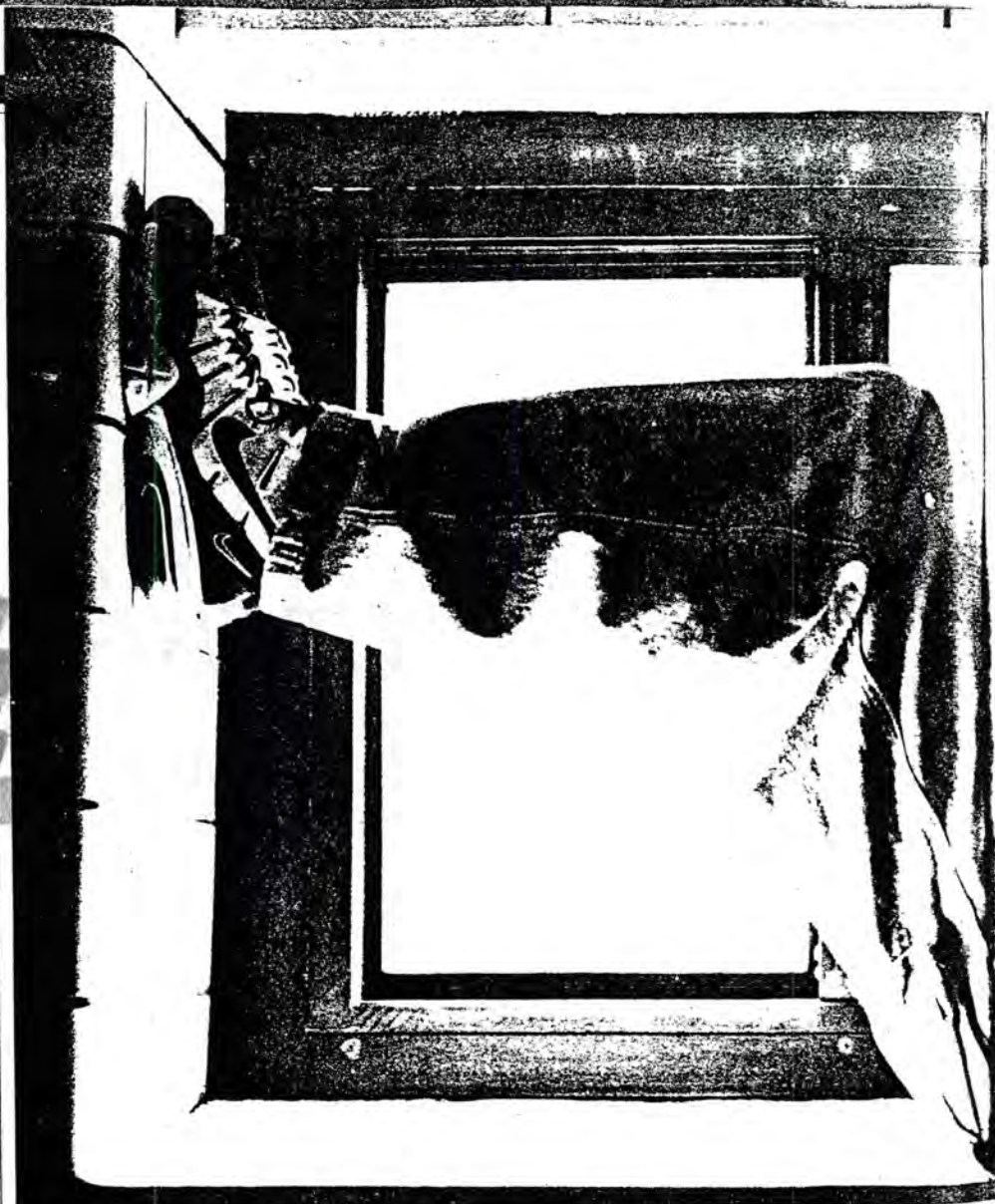
What It Costs

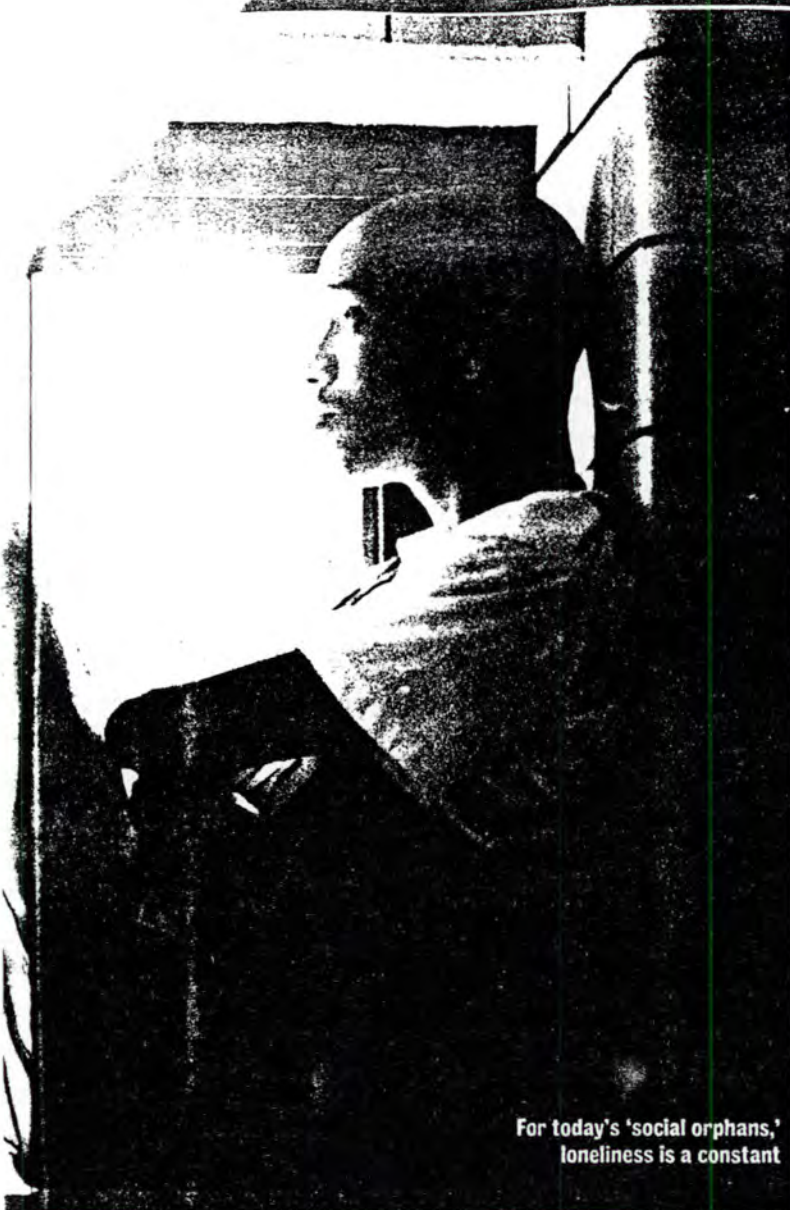
Institutional care for children is not cheap. Here is how the 78-bed Mercy Home in Chicago spends its money:

ANNUAL COST PER CHILD	
Staff	\$35,000
Room, heat, light, gas	8,000
Clothes, camp, transport	5,000
Food	4,000
Tuition	3,500
Counseling	2,500
Medical, dental	1,500
Total	\$59,500

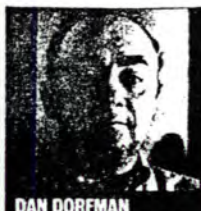
ONLY 7 PERCENT OF TOTAL IS GOVERNMENT-FUNDED

At Chicago's Mercy Home it costs \$59,500 a year to care for one child. More than 90 percent of that sum comes





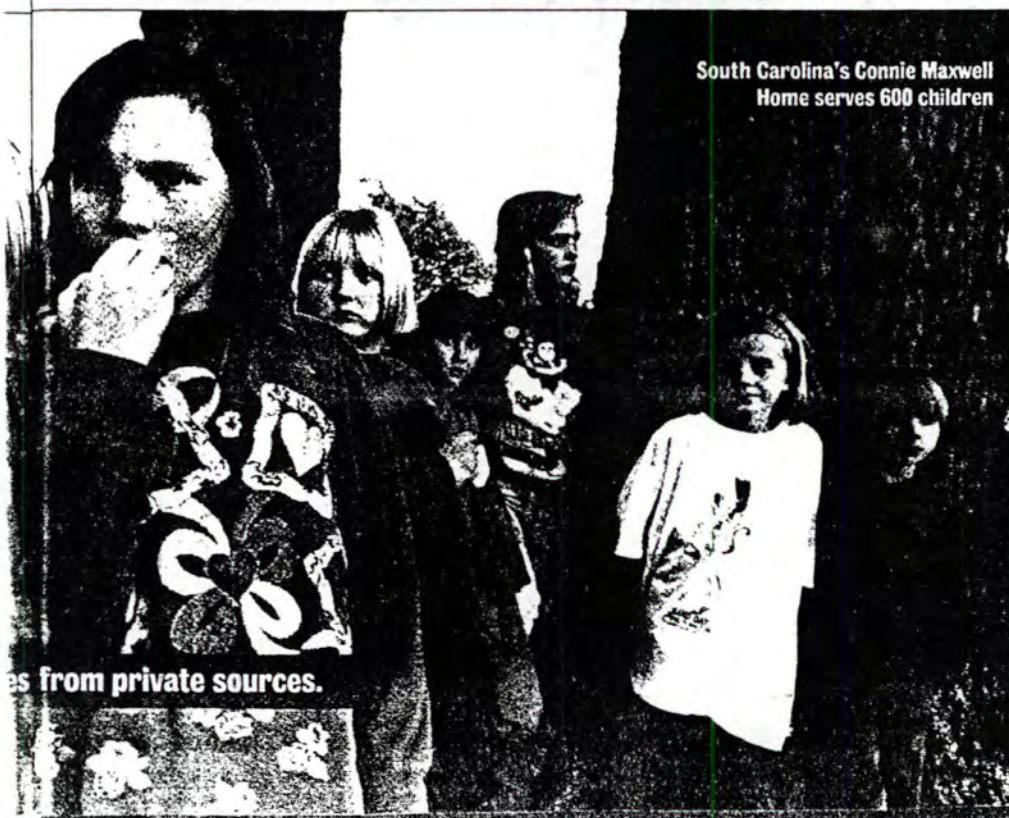
For today's 'social orphans,' loneliness is a constant



DAN DORFMAN

USA TODAY COLUMNIST & WALL ST. ANALYST '85

I don't know if I want to talk about what kind of welfare reform I favor, but I do know that I favor being anywhere but an orphanage. It brings back such bad memories to think of that place. [The wardens] were like storm troopers; they beat the s--- out of you all the time. I'm amazed I could walk out of there alive. You were like a leper there, an outcast. It's a constant emotional bombing. You really don't belong to anybody. You're really in the worst kind of limbo—you don't stand for anything.



South Carolina's Connie Maxwell Home serves 600 children

es from private sources.

medical historian David Rothman. "When custody meets care, custody always wins."

Though the barracks-style buildings may be gone, the notion of the orphanage as a shelter of last resort is thriving. Now they're called group homes—usually clusters of eight to 10 kids living in small houses that are more supportive, and expensive, than the spartan warehouses Gingrich's plan evokes. Small group homes struggle to avoid the traps of their oversize predecessors. From the outside, the Worcester Group Home looks like any of the other sprawling Victorian houses lining a well-traveled street in Worcester, Mass. Inside, the atmosphere strives for the homey, though the institutional sometimes wins out. The living-room sofas are comfy, though a bit too upright; the video library—"Sister Act," "E.T."—is more cute than hip; individual "hygiene boxes" for items like toothbrushes guarantee privacy. But in the hallway, a bulletin board listing laundry days and the weekly chores is a reminder that this is a community. It's more sorority house than Mom's house, but what distinguishes Worcester from either is the oversize desk in the second-floor hallway, where staffers sit 24 hours a day, watching over the kids. For most, it's the first time anyone has cared to. "I came in here and didn't consider anybody my friend. I just considered them my associates," says Jean, 17, slipping into pink flowered slippers and trying to sound philosophical that her closest friend, Carrie, is moving back home.

By the time children land in a group home, they've usually been in the child-welfare system for years, bouncing from mother to aunts to foster homes so often that most couldn't fit into a traditional family even if one would have them. These are kids whose lives have roller-coastered through the social upheavals of the '80s. Their mothers are often drug addicts, for whom Spock, at best, is a character on TV; their fathers don't exist, not even in faded photographs. Few of the kids know what it's like to live in a house where no one yells or takes advantage of them: 80 percent of the girls who arrive at Boys Town have been sexually abused; 90 percent of the kids at the Mount St. Joseph-St. Elizabeth Home in San Francisco have alcohol and drug problems. Just as frightening, "Half the kids are active cutters," says Mount St. Joseph director Mary Barry. "Cutters" refers to kids who cut their veins in suicide attempts, not cutting classes in school.

There are no quick fixes for broken children, only structure, consistency and love—the sort of things families on the verge of collapse don't have a store of. To compensate, most group homes strive for a balance. One part is family—each home usually has two parent figures who live with them round the clock. The other is an almost-military devotion to cleanliness (try

PHOTOCOPY PRESERVATION

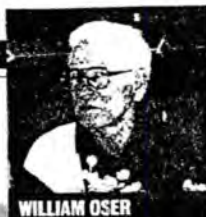
to find a messy bathroom anywhere), orderliness (at Worcester, 13 pairs of shoes sit in a row inside the back door) and rules (at Boys Town, the dress code is simple: one girl who arrived with orange-and-green hair was told to shower and come back looking "like a 16-year-old, not a street-walker"). The point, says Father Val J. Peter, director of Boys Town, is to teach kids how to live with others—and themselves.

SOMEDAY SOON, THE POLITICIZED babble in Washington will collide with the gritty and complicated realities of caring for unwanted children—and when it does, the politicians and policy wonks now pushing orphanages will be confronted with some very tough issues. One of them, of course, is cost. There are now nearly 9.7 million children on AFDC nationwide. If Gingrich's welfare-reform plan were in full effect today, more than 5 million of those children would lose their financial support. Who will care for them? Gingrich's bill doesn't say, although conservatives clearly hope the vast majority would be housed and fed by relatives. But even if that's true, experts foresee a massive increase in the number of kids who will need someplace to go. Assume, optimistically, that four out of five welfare kids are taken in by uncles and aunts and grandmas and grandpas. That still leaves 1 million children who will need some form of institutionalized care—a tripling of the kiddie caseload and a massive social cost. At \$100

per child per day, about average for group homes, caring for those kids would cost at least \$36.5 billion.

Who will pay the bill? In a recent interview, Gingrich talked in broadly optimistic terms about the need to "expand private charities" to care for those who lose their benefits under welfare reform. But David Liederman, executive director of the Child Welfare League of America, says that private philanthropy is already carrying its share of the load. "About 30 percent of the cost of residential care in the United States is subsidized by charitable dollars," Liederman says. "The homes are run by nonprofits, many of which have large endowments. There isn't a state in America that pays the actual cost of care."

Or take the custody question. Parents—even welfare mothers—have rights. Current federal law, embodied in the Adoption Assistance and Child Welfare Act of 1980, is a mind-boggling attempt to balance the rights of parents with the state's responsibility to protect children. It made "family reunification" a primary goal of the child-welfare system, which means that it limits the government's power to take children away from their parents except in well-documented cases of neglect or abuse. Now the politicians want welfare mothers to give



WILLIAM OSER

RETIRED RAILROAD
EXECUTIVE, 72

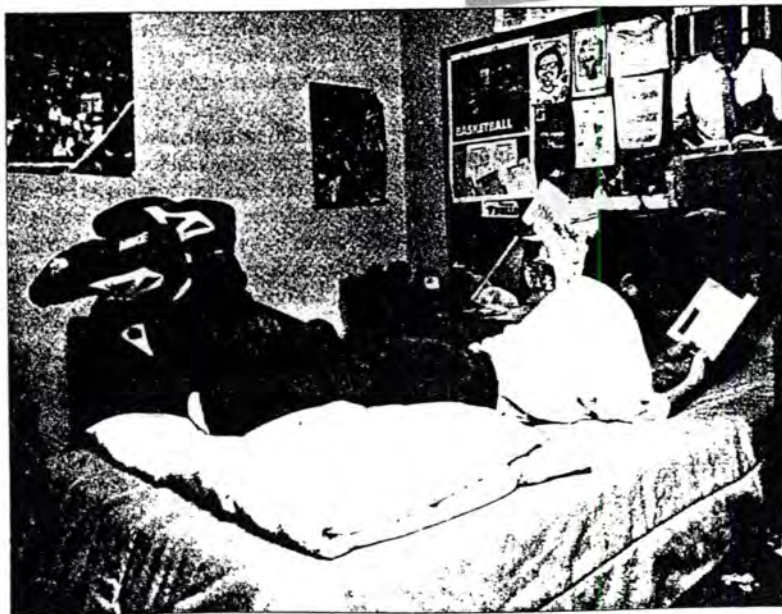
We learned good values in life from the [orphanage's] nuns and priests. We went out in the world and were successful because we had a good foundation. But if they're thinking of taking children away from families on welfare, that's a different situation altogether. Then you're breaking up the family. No way. People can't help themselves sometimes being on welfare.

up their kids—but no one wants to give that kind of power to a "welfare bureaucrat." Mothers—even unmarried, teenage mothers—resent those who say they should abandon their children. Patricia James is an 18-year-old mother who lives in a group home in New York City with her 2-year-old daughter Del-Shá. Would she send her daughter to an orphanage? "Del-Shá is my shadow," Patricia says. "She's all I've got—I don't have nobody." The answer is no.

And what about the kids? Child-welfare advocates think the conservatives have lost sight of true family values, and they may have a point. Welfare reform, they say, is really about adults—it's an attempt to cure adult welfare dependency that may have the side effect of forcing many thousands of children into institutional care. "Get them off the dole, two years and out? What does that mean if you're a

2-year-old?" asks Carol Statuto Bevan of the National Council for Adoption. Still, almost everyone agrees that millions of kids are in jeopardy. And so the real question is: if orphanages aren't the answer, what is?

TOM MORGANTHAU with KAREN SPRINGEN in Chicago and Omaha, VERN E. SMITH in Greenwood, S.C., DEBRA ROSENBERG in Boston, GREGORY BEALS, CARROLL BOGERT and T. TRENT GEGAX in New York and NADINE JOSEPH in San Francisco



At Omaha's Boys Town the path to security is paved with structure. First step for the kids: keeping a clean and tidy room.

At a San Francisco group home, a teenage mother is able to live with—and learn hands-on care for—her young daughter



PHOTOCOPY
PRESERVATION

Want to open a group home? You'll face a sea of state regulations—in Massachusetts, 40 pages' worth.



In the early 1900s, an 'orphan train' organized by the Children's Aid Society pauses for a record of its passage across the rural West

History of the Orphanage

Bleak houses all, orphanages trace their roots to a 1729 Indian massacre. But things turned a bit less grim with the advents of adoption, foster care and welfare.

IF THERE'S A MORE LONESOME WORD in the English language than *orphanage*, we never want to hear it. It suggests a place like the one Faulkner's orphan hero Joe Christmas remembers from his childhood in "Light in August": a "cold echoing building of dark red brick sootblackened . . . set in a grassless cinderstrewnpacked compound surrounded by smoking factory purloins and enclosed by a ten-foot steel-and-wire fence . . . orphans in identical and uniform blue denim . . . the bleak walls, the bleak windows where in rain soot from the yearly adjoining chimneys streaked like black tears." The sooty tears are belletristic overkill, but the rest of Faulkner's picture would have seemed familiar to investigators from New York state's 1916 Strong Commission, who found "little children with their hair cropped . . . sitting at wooden benches and eating out of tin plates . . . some without anything to eat at all." The grim, submonastic orphanage we picture when we hear the word is an imaginative construct: a Dickens workhouse or Yorkshire school transplanted to industrial-age America. That doesn't mean it wasn't real.

Ursuline nuns founded the first orphan asylum in North America in 1729, after Indians massacred adult settlers at Natchez, Miss. But most 18th-century orphans went to country neighbors or city almshouses. Orphanages hardly existed until urbanization and immigration intensified in the 1830s and 23 private orphan asylums opened. By 1850, New York state alone had 27 orphanages, both public and

private—and yet New York City was still overrun with some 10,000 "street Arabs," many of them the children of Irish immigrants. (Two of pop culture's most beloved orphans, Anne of Green Gables and Little Orphan Annie, have conspicuously red hair.)

Then came the Civil War—which increased the number of poorhouse orphans by 300 percent—and another wave of immigration. "A certain panic set in about how to control these kids," says Columbia University historian David Rothman. "The orphanage movement begins at just the same time we begin building prisons and state hospitals for the insane. They're all part of the same phenomenon." Philanthropists tended to regard the orphanage as a form of school; pragmatists saw it as a holding tank.

Few administrators tried to make it a home. In the 1850s, the Philadelphia House of Refuge crowded 100 children into five dormitories with evenly spaced beds; in Charleston, 200 children slept in 10 rooms. In the New York House of Refuge, bathtubs held 15 or 20 boys at a time. New York's Hebrew Jewish Orphanage fed its charges so meagerly that one observer remarked "the

weirdly short stature of the boys who left . . . at the legal age of 14 years." Such institutions kept kids in line with military-style discipline: they drilled and paraded and marched to meals and classes; in chapel they knelt at the sound of a whistle. New York's Strong Commission found some children "forced to do drudgery, working eight or nine hours a day, with only one hour for schooling, and that often at night."

But by the 1890s, progressive administrators had begun organizing orphan asylums along more familial lines: smaller dwelling units supervised by "cottage parents" and wards partitioned into bedrooms. "The progressives imported family ideals into the orphanages," says Rothman, "but they also began to devise real alternatives—adoption, foster care and 'widow's pensions,' which meant giving money to mothers to keep kids at home. This was the beginning of welfare." The most romantic alternative was called the "orphan train." In the years before 1930, such trains shipped some 200,000 children from Eastern cities for adoption—and, not incidentally, for farm labor—in the rural West.

By the '70s, most of the old red-brick orphanages were out of business. Whether or not that's cause for national self-congratulation depends on whether or not orphans today have any better place to go.

DAVID GATES



STELLA SCOTT

MIDWESTERN
HOUSEWIFE, 86

It was so different from where I'd been and how I'd been treated. I got to play with things I'd never seen before. I did love that place. I think it would be of help to little children who're running around on the streets and we don't know where they're sleeping. It was the saving grace of me. I don't know what would've happened to me if I hadn't gone to the orphanage.

PHOTOCOPY
PRESERVATION

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November 13, 1994, Sunday, BC cycle

LENGTH: 595 words

HEADLINE: US Republicans take aim at welfare

BYLINE: By Andrea Shalal-Esa

DATELINE: WASHINGTON, Nov 13

BODY:

Key U.S. Republicans on Sunday declared war on American welfare programmes in the wake of their election landslide, vowing to pass dramatic reforms when they take control of the Congress in January.

Speaking on TV talk shows, the new leaders of the House of Representatives and the Senate left no doubt that they plan radical changes, including cuts in food stamps, public housing subsidies and Aid to Families with Dependent Children.

Black civil rights leader Rev. Jesse Jackson said the Republicans had "declared war on the poor," CNN TV reported.

Newt Gingrich, who will be the new Speaker of the House following last Tuesday's Republican victory in mid-term elections, hinted he believed welfare assistance should last two months, not two years. He said charities and orphanages should take more of the burden of caring for the destitute.

"People ought to have to do something for any resources they get if they're able-bodied, under the age of retirement," Gingrich told ABC's "This Week with David Brinkley."

"Our goal should be to create enough jobs to mop up the unemployed -- not to create welfare, to give people an alternative to work," he said, adding that he favoured expanding private charities to help those could not find work.

Gingrich has pledged to tackle the issue within the first 100 days of the next Congress. His "Contract with America" includes detailed suggestions for welfare reform, including a plan that would allow states to limit aid to young mothers and use it to build orphanages instead.

Incoming Senate Majority Leader Bob Dole said welfare reform was one of his top priorities, although he expressed some scepticism that orphanages would play a

central role.

"I do think we need a radical change in welfare. The American people are ready for real welfare reform," Dole told CNN's "Late Edition." "We'll do it very quickly. We're both on the same wavelength."

There are 14.3 million people on Aid to Families with Dependent Children, the main federal welfare programme, and nine million of them are children.

Dole said he expected President Bill Clinton to "weigh in" with his own welfare reform proposals, but threatened to proceed even without his help.

"He may not want to go far enough. If that's the case, we'll have to give him a choice to veto a welfare reform bill," Dole said.

Clinton introduced his own package of welfare reforms in June, but Congress failed to act on his proposals, which would have shifted one million people from welfare to government-subsidised jobs by the year 2000.

Dole said welfare policies in the past 30 or 40 years may have helped people temporarily, but they had created incentives for having children out of wedlock.

Senator Phil Gramm of Texas, chairman of the National Republican Senatorial Committee, also called for dramatic changes to state and federal welfare programmes, where spending totalled \$301 billion last year.

"I want a comprehensive welfare bill that asks the people riding in the wagon to get out...and help the rest of us pull," said Gramm, who plans to run for president in 1996, calling for a mandatory work requirement.

Gramm, speaking on NBC's "Meet the Press," also called for cutbacks in federal food stamp and public housing subsidies.

"Look...when we're spending all this money and we have half the children born in our big cities born out of wedlock, when we have people who have made a profession out of being poor, it's time to change the system, and I'm not the least bit squeamish about saying it," he said.

LANGUAGE: ENGLISH

LOAD-DATE-MDC: November 14, 1994

American people, 'One of our societal goals is to maximize participation by everybody, now can you in your local community do that less expensively, faster and with more common sense than Washington,' I think the answer's yes.

GEORGE WILL: Let me ask about agriculture subsidies. Stern critics of agriculture subsidies include Dick Armey in the House, Phil Gramm in the Senate. Fervent defenders of agricultural subsidies include Bob Dole. Are the Republicans seriously going to prune agriculture subsidies?

Rep. NEWT GINGRICH: I think the Republicans are seriously going to look at how do you, over the next five to seven years, make a transition in agriculture, recognizing that one of our major problems is the degree to which the European Common Market subsidizes its agricultural producers and puts American producers at a significant disadvantage in the world market. I don't think you can unilaterally disarm American farmers any more than you'd unilaterally disarm the military. But I do think the transformation of rural America towards an information-age society where, for example, in Sioux City, Iowa, the largest employer is Gateway Computing-

GEORGE WILL: I think-

Rep. NEWT GINGRICH: -is a real change in society.

GEORGE WILL: I may be wrong, but I think I'm hearing that agriculture subsidies are only going to be looked at and that the Americans With Disabilities Act is pretty safe. Let me give you some cultural-

Rep. NEWT GINGRICH: Oh, no. I thought you said the way I described it, the Americans With Disabilities Act would be changed substantially.

GEORGE WILL: Well, okay, what about the cultural institutions? Conservatives have considerable grievances against the Corporation for Public Broadcasting, the National Endowment For the Arts and the Humanities. What's their future?

Rep. NEWT GINGRICH: I personally would privatize all of them.

SAM DONALDSON: All right, welfare reform. Most people have moved toward 'workfare.' The usual term limit that's given is two years. The question is, at the end of two years if people haven't found a productive job, what do we do? Do we simply cut them off? Is that-

Rep. NEWT GINGRICH: Well, I'm not sure you go two years. I mean, Governor Bill Weld - you know, hardly a rabid right-winger, but a very smart, intelligent fiscal conservative - believes 60 days is long enough. There's a black-

SAM DONALDSON: What do you believe?

Rep. NEWT GINGRICH: There's a black woman in Chicago who is very-

SAM DONALDSON: Now, what do you believe?

Rep. NEWT GINGRICH: Let me just say this. There's a black woman in Chicago who's every effective with helping the poor, who says, 'Responsibility has to start day one.'

SAM DONALDSON: Okay, what do you believe?

Rep. NEWT GINGRICH: I'm closer to day one. I think people-

SAM DONALDSON: And at the end of day two, if they haven't found a job?

Rep. NEWT GINGRICH: I think people- I think people ought to have to do something for any resources they get if they're able-bodied under the age of retirement.

SAM DONALDSON: And if they don't, when then?

Rep. NEWT GINGRICH: Then they had better go find a way to do something. I'm willing to expand-

SAM DONALDSON: You're not for a safety net for the children?

Rep. NEWT GINGRICH: I am very much for a tax credit for people to give to private charities. I'm very much-

SAM DONALDSON: We're talking about welfare reform, Mr. Gingrich.

Rep. NEWT GINGRICH: That's right, and I'm saying to you I'd rather have the Salvation Army than local government.

SAM DONALDSON: If they don't have any income, the tax credit is not going to help them that much.

Rep. NEWT GINGRICH: I think that, for most Americans, that if you work with them, they should be able to find a job and our goal should be to create enough jobs to mop up the unemployed, not to create welfare to give people an alternative to work.

SAM DONALDSON: I understand, sir, but I'm asking for those who don't find a job, what is your prescription?

Rep. NEWT GINGRICH: I think I would want to expand private charities.

SAM DONALDSON: And that would be their recourse?

Rep. NEWT GINGRICH: That would be their recourse.

DAVID BRINKLEY: George?

SAM DONALDSON: All right, let me ask you about the question of- Senator Moynihan is on your side on the balanced budget amendment. He's not on your side when it comes to voluntary prayer in the schools.

Rep. NEWT GINGRICH: I just disagree with him. I think clearly, if you go back to American history, it is absolutely clear that this was a country - starting with the Declaration of Independence, which says we are endowed by our creator - this is a society which always believed in the right of freedom of religion, not an anti-religious bias.

SAM DONALDSON: Let me just ask you about a tax cut. We know in the Contract it calls for a cut in half of the capital gains tax, but some of your colleagues want to do away with the income tax to a large extent, put in a flat tax. Are you for that?

Rep. NEWT GINGRICH: I'm for having hearings on it, but I think in the first phase what you ought to do is try to expand the economy and expand jobs and have a \$500 tax credit for children.

SAM DONALDSON: You said just yesterday, I believe, that you would be for repeals, at least theoretically, of the 1990 and the 1993 tax rates-

Rep. NEWT GINGRICH: As a theoretical, but I voted against both. Why would I favor keeping things I voted against?

SAM DONALDSON: But as you actually going to, practically, be able to do that?

Rep. NEWT GINGRICH: No, not in the near future, but we'll look at that in the long run.

DAVID BRINKLEY: George? Come on.

GEORGE WILL: Moderate Democrats are the most vulnerable to the undertow of President Clinton when they're on the ballot with him in elections. Do you anticipate an insurgency against the President in '96, knowing what you know about your Democratic colleagues on the Hill? And will it come from the center or the right?

Rep. NEWT GINGRICH: I don't think you can define '96 this early. I think, in the age of television- you know, Clinton- if President Clinton comes back from his Asian trip

and says, 'I got the message, I'm now prepared to change my behavior, I want to move to the center,' and accepts an insurgency from the left, not the center, he could very easily try, at least, to live out the Harry Truman model.

GEORGE WILL: Is it your est-

SAM DONALDSON: Would you consider running against him?

Rep. NEWT GINGRICH: No.

GEORGE WILL: Is it your estimate that he cannot avoid a challenge, either from the right or the left?

Rep. NEWT GINGRICH: It's- well, I mean, I think, again, it- I think it's too far away. I don't think, in the age of television, I'd- I would project '96-

DAVID BRINKLEY: Thank you very much-

SAM DONALDSON: Could we ask about GATT, David, simply Senator Moynihan-

DAVID BRINKLEY: Our time is up, I'm sorry. Thank you very much, Mr. Gingrich.

SAM DONALDSON: All right.

Rep. NEWT GINGRICH: David, thank you.

DAVID BRINKLEY: It's nice to have you. Good luck to you. Coming next, our discussion here, dealing with whatever any of the four of us brings up. Joining us will be Cokie Roberts, in a moment.

[Commercial break]

DAVID BRINKLEY: We're back. Cokie. welcome.

COKIE ROBERTS, ABC News: Thank you.

DAVID BRINKLEY: Now, since the last time we met around this cracker barrel, we've had a bit of news.

SAM DONALDSON: There's that.

DAVID BRINKLEY: I have a simple question for each of you - very, very simple. Why?

COKIE ROBERTS: Why? Well, a combination of things. I think mainly, though, what we've been hearing from our guests - that people were fed up with big government, didn't think that it was going right and that their lives are not going the way they

want them to go. And they tried to change it in '92 and they didn't like- they feel they didn't get a change then, so they're ready to change it again now.

DAVID BRINKLEY: Sam?

SAM DONALDSON: People are mad as hell, as the old anchorman would say, from Network, they're not going to take it anymore, and it's perfectly reasonable to throw the ins out, meaning the Democrats, because they've been in charge, and they were thrown out. But anyone who thinks that this has- and we may hear from Brother Will about this theory that this is a massive conservative tide, which is in place from now until the 22nd century.

I would remind you in 1964, I watched Barry Goldwater take the Republicans down. People said, 'Oh, the party's finished.' Wrong. Nineteen seventy-four, Richard Nixon left town one step ahead of the sheriff, the Republicans went down. People said, 'The Republican Party is finished.' Wrong. Anyone today who says the Democratic Party is finished is wrong. George?

DAVID BRINKLEY: Well, I haven't heard anybody say that. George?

GEORGE WILL: No one's saying- you're a pyromaniac in a field of straw men at the moment. That's just not happening.

SAM DONALDSON: This is not a crowded theater.

GEORGE WILL: Do you want to know- do you want to know what happened- Lamar Alexander, traveling around the country preliminary to running for President, has seen a bumper sticker, and it said, 'Let's make welfare as hard to get as a building permit.' That sums it up. People think the government's priorities are all wrong and that the government has become an impediment to the creative life of the American people. That's what happened.

SAM DONALDSON: You better increase your charity giving, I trust.

COKIE ROBERTS: I do think that-

GEORGE WILL: Certainly.

COKIE ROBERTS: Sam-

SAM DONALDSON: Because when Brother Gingrich says that now what government had been doing for the children of parents who were on welfare, that private charities would-

COKIE ROBERTS: I do think, though, that there is a conservative tide. You have to look at what happened in the state legislatures. You used to have- southern

Republican state legislators used to be able to meet in a phone booth and now they have not only taken over several state legislatures, but they have increased their seats somewhere around 400- by about 400 seats around the country.

SAM DONALDSON: Well, that's a Republican tide.

COKIE ROBERTS: This is a Republican tide.

SAM DONALDSON: But southern Democrats, as you know, Cokie, were very conservative, always have been.

COKIE ROBERTS: But- but what I'm saying is this is a- much more of a Republican win than just a no to Washington, no to Bill Clinton.

SAM DONALDSON: Well, I conceded it's a Republican win, obviously. They threw out the Democrats because the Democrats have been in charge and it is-

COKIE ROBERTS: But that they're also willing to do it at the level- at a lower level and that puts candidates in place-

SAM DONALDSON: Well, that's true.

COKIE ROBERTS: -around the country.

SAM DONALDSON: That's true, but if the Republicans don't deliver something that the American people - and I suggests all of the American people, not just the wealthy, not just the elite find acceptable - they're going to suffer at the polls in two or four years.

DAVID BRINKLEY: Deliver what, Sam? What do you want them to deliver so as to stay in office longer than two years?

SAM DONALDSON: Well, the Republicans say they want to deliver more prosperity. For everyone? If in fact, it trickles up or down to everyone, I think that's just fine.

GEORGE WILL: Basically, what the-

SAM DONALDSON: They want to deliver family values, but unfortunately, government cannot deliver family values, whether they're a Republican government or a Democratic government.

DAVID BRINKLEY: George, what?

GEORGE WILL: Basically, what the Republicans want to deliver is more liberty and see what happens, and that's why they have, it seems to me, the anti-government tradition that is as old as Jefferson. That's a great Republican strength right now is that they are-

SAM DONALDSON: They want to deliver liberty?

GEORGE WILL: -they are deriving their rhetoric from a very rich American pedigree here-

SAM DONALDSON: Well, if that's what they want to do, I'm for it, George. They're against stop-and-frisk laws, then. They're for reading Miranda rights to criminal suspects, right?

GEORGE WILL: Yes.

SAM DONALDSON: They are for individual liberty?

GEORGE WILL: Right.

SAM DONALDSON: Well, if the Republicans really mean that, we're on the road.

GEORGE WILL: You got it, Sam.

COKIE ROBERTS: It will be interesting to see, though, because people want deliverance very quickly, and what can they do in two years that's really going to improve people's lives? That's a very tough order and I think that if they don't fulfill that, that the move away from both political parties in 1996 is likely to be very strong.

GEORGE WILL: I am struck by the aggressive misreading of last Tuesday by the President's surely by-now-discredited political advisers. In this town, you eventually get the advice you want, so I presume Mr. Clinton wants Stephanopoulos, Begala, Greenberg and all these other architects of calamity, but it is absolutely extraordinary the degree to which they are saying, 'Nothing happened.'

COKIE ROBERTS: Well, that is ridiculous.

SAM DONALDSON: Well, something happened to Bill Clinton. I think it was another repudiation of just himself, frankly.

GEORGE WILL: If- if-

SAM DONALDSON: This is one of the few times in an off-year election you've seen the nationalization and the President be effective.

DAVID BRINKLEY: George, if you're on the White House payroll and hold some title over there, what else would you ever say? You can't admit that your leader has been repudiated.

GEORGE WILL: No. No, but you can say, 'We made a mistake.'

COKIE ROBERTS: Yes.

GEORGE WILL: You don't have to be in constant spin mode the way these children are. I mean, they just- they are so insulting to the American people and even to this town. If they'd just come out and say, 'We made a mistake.'

COKIE ROBERTS: That's right. They can say, 'We lost bigtime. We really blew it.'

DAVID BRINKLEY: When was the last time in some position of-

SAM DONALDSON: Wilhelm said that. The-

COKIE ROBERTS: That's right. He did-

SAM DONALDSON: -DNC chairman. He said, 'We got our you-know-what kicked.'

COKIE ROBERTS: But he's on his way out. He's on his way to Chicago.

DAVID BRINKLEY: When was the last time somebody in a position of authority in this city publicly said, 'I made a mistake'?

COKIE ROBERTS: No, they generally say, 'Mistakes were made.'

DAVID BRINKLEY: Were made-

SAM DONALDSON: By someone else.

DAVID BRINKLEY: Not- by- never say by whom.

COKIE ROBERTS: I think, though, that there's a big opportunity here for the Democratic Party and for the Republican Party. One of the things that happens in a blowout election like this was is that neither party is as beholden to its base as it would be in a close race. If it had been a, you know, neck-and-neck race with some winning by a hair here and there, what you would have at the end of it is the Democrats much more beholden to the blacks, the feminists and the old people, and you'd have Republicans much more beholden to the religious right than they are-

SAM DONALDSON: They are in most states, Cokie.

COKIE ROBERTS: Well, but not- because they won so big that they're not as beholden as they would be if they had just squeaked by.

SAM DONALDSON: Maybe-

DAVID BRINKLEY: William J. Clinton is still president. Can he accommodate himself to all of these changes?

SAM DONALDSON: Well, my advice is not- I mean, I don't see how he switches again. I don't see how he once again says, 'Okay, I'm this rather than that,' although I suppose that his only safety ought to be in 'To thine own self be true,' and stand for something. But I just frankly think that for the next two years the President ought to enjoy life. Go on Air Force One, throw some parties, pursue pleasurable companionship of men and women that he enjoys in this town.

DAVID BRINKLEY: Inspection trips on the beaches and such-

SAM DONALDSON: Well, I mean- because I just don't see how, with the Republicans in charge on Capitol Hill, he can put forward an agenda which then the American people can say, 'Well, if that's Clinton policy, I like it.'

COKIE ROBERTS: Why not?

GEORGE WILL: There's much talk of-

SAM DONALDSON: Well, because no one- nothing will happen to it, Cokie. Well Speaker Gingrich-

COKIE ROBERTS: Well, it depends on what the agenda is.

SAM DONALDSON: Well, if it's a Republican agenda, but then why would someone want a fake? Why- if you're going to vote Republican, do it.

GEORGE WILL: That is precisely the point. There's much talk of him emulating Truman. Truman, I think - I've been trying to track down this quote and if someone can find it out there in television land, send it. I seem to recall Truman cautioning Democrats who were becoming more and more like Republicans, saying, 'Give the people a choice between a Republican and a Republican, they'll pick the Republican every time.'

SAM DONALDSON: That's exactly right.

GEORGE WILL: And- so, I mean, he has a real problem.

SAM DONALDSON: So Mr. Clinton cannot now become a Republican and say, 'Oh, they're right, I get the message and I'm going to outdo them'?

COKIE ROBERTS: But he can be the kind of Democrat that Harry Truman was, in fact, and not be-

SAM DONALDSON: Not a chance.

COKIE ROBERTS: -not be the out-of-the-mainstream, cultural elite that he's been accused of being, that he was not when he was governor of Arkansas. I mean, he has shifted in the White House to respond to Democratic constituencies that- I'm making the case that you might not have to respond that much after this election.

GEORGE WILL: But surely this is a part of his problem is that people feel they were deceived by the '92 campaign.

COKIE ROBERTS: Absolutely.

GEORGE WILL: He came in and they got gays in the military, Lani Guinier, Joycelyn Elders and what- I think the most historic political mistake of a century, that was the health care bill.

COKIE ROBERTS: The health care- right.

DAVID BRINKLEY: It may be a little early, but not too much. What about 1996? Is Mr. Clinton going to run again? Will he have an opponent from his own party?

GEORGE WILL: Yes, yes.

SAM DONALDSON: He will have an opponent in his own party and may be formidable. Next question will be 'Who is it?'

DAVID BRINKLEY: Will he win?

SAM DONALDSON: I don't know who it is, but it's going to be a major one.

COKIE ROBERTS: Well, from which direction is the other question. Does it come-

GEORGE WILL: Both.

SAM DONALDSON: Maybe both.

COKIE ROBERTS: Well, if it comes from both, that could be interesting. That also happened to Harry Truman-

GEORGE WILL: But it-

COKIE ROBERTS: -and he won with the civil rights party breaking off and-

GEORGE WILL: But there's one crucial element-

DAVID BRINKLEY: 'Re-elect the boss.' That's what he won with. Do you remember that?

SAM DONALDSON: But people ought not to think that Bill Clinton and Harry Truman are the same guy. They aren't the same guy in so many ways.

COKIE ROBERTS: And the times are very different.

SAM DONALDSON: And the times are different.

GEORGE WILL: And you can't count on the Republicans nominating Dewey. He's dead.

DAVID BRINKLEY: He is, yes.

SAM DONALDSON: Well, but there is Ross Perot now. I mean, the formula that gives Mr. Clinton re-election is that he gets- the formula that gives Mr. Clinton re-election is that he gets through somehow and gets renominated and Ross Perot, or somebody else, comes in, splits the vote there on the third party. The Republicans put up-

COKIE ROBERTS: And that can happen.

SAM DONALDSON: -Genghis Khan-

COKIE ROBERTS: And Republicans can also- can get into internal battles of major proportions, which is extremely likely to happen. Once you have the majority, that's when you start to have real fights. You can afford them.

DAVID BRINKLEY: Now, what is Congress going to do? What- Republicans are in charge, first time in 40 years in the House, a Democrat in the White House. They have an elaborate agenda called- the Republicans have an elaborate agenda which they call the Contract With America. How much of that are we going to see?

COKIE ROBERTS: Well, I think the parts of it that are constitutional amendments, if they can muster two-thirds, that they will- that they're likely to pass. The President doesn't have to sign those, and they go out to the states then.

Now, that's the place where I find it interesting, because the governors of most states now are Republicans, and how interested are Republicans governors in a federal balanced budget amendment? They've all got stuck with balanced budgets of their own. Do they really want the federal government not to be sending them this money? This is going to be an interesting question.

SAM DONALDSON: There's also going to be a big fight over the taxation part of it, because I think the Republicans are committed to balance the budget. If they pass a

balanced budget amendment, it makes sense that they would try to work in that direction. And yet, if you cut the taxes, you've got to cut the programs, and I think there's going to be enough resistance so that at least the presidential veto, in many instances, wouldn't be over-ridden.

DAVID BRINKLEY: Can you name a few programs you think ought to be cut?

SAM DONALDSON: That ought to be cut?

DAVID BRINKLEY: Yeah.

SAM DONALDSON: Well, maybe- agricultural subsidies are everybody's favorite ought-to-be-cut. Welfare reform-

DAVID BRINKLEY: That's everyone who doesn't live on a farm.

COKIE ROBERTS: Well, and- but hardly anybody does. We saw this week that there are fewer than two million people-

DAVID BRINKLEY: Or own a farm.

COKIE ROBERTS: -living on farms in America today.

SAM DONALDSON: Now, Jesse Helms is going to cut foreign aid. He's the senator who will take over the Senate Foreign Relations Committee - from North Carolina. He's opposed foreign aid in all of its forms to almost everyone. I haven't checked on his exact program. He's going to cut it to Israel? I don't know. Where is he not going to cut it?

DAVID BRINKLEY: I don't know. I asked you.

SAM DONALDSON: Well, we'll have to ask Mr. Helms.

DAVID BRINKLEY: All right. Well, I want to thank you all very much. We'll be back with a few words on some of the oddball stuff the American people voted for or against on Tuesday - in a moment.

[Commercial break]

DAVID BRINKLEY: Finally, it was interesting to see that this week the American people voted to do a lot of legislating on their own, leaving the politicians out of it. For example, Oregon and California voted to define obscenity even though a Supreme Court justice long ago said he couldn't define it, but he knew it when he saw it. In 10 states, they voted on all kinds of gambling - casinos, lotteries, slot machines at the airport, blackjack and poker tables on riverboats - the states see easy money, maybe. A county in Oregon voted on giving each homeowner a gun.

Another Oregon vote would stop the use of dogs to hunt bear. Alaska, for the fourth time, voted on moving the state capital from Juneau to another town, the present capital being totally inaccessible by land. In Oklahoma, a vote on allowing winemakers to use grapes from out of state. And in Washington state, a vote on allowing people to buy false teeth directly from the makers without seeing a dentist. Democratic self-government covers all things great and small.

For all of us here at ABC News until next week, thank you.

The preceding text has been professionally transcribed. However, although the text has been checked against an audio track, in order to meet rigid distribution and transmission deadlines, it has not yet been proofread against videotape.

LANGUAGE: ENGLISH

LOAD-DATE-MDC: November 21, 1994

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ABC NEWS

SHOW: This Week With David Brinkley (ABC 11:30 am ET)

November 13, 1994

Transcript # 681

TYPE: Show; Analysis

SECTION: News; Domestic

LENGTH: 9868 words

BODY:

ANNOUNCER: From ABC News, This Week with David Brinkley. Now, from Washington, David Brinkley.

DAVID BRINKLEY, ABC News: Newt Gingrich, likely the new speaker of the House and one of our guests today, aimed a clear and simple message - or a spitball - at the Democrats and to the political left in general. His message was, quote, 'Nice try. You failed. You're wrong.' Beginning with that, he says what is at stake here is the survival of a civilized country whose social and economic problems threaten to destroy it. His prescription? Lower taxes on capital gains and otherwise, reducing welfare spending, tougher treatment of criminals, reduction of bureaucratic intrusions into daily life and much more. But President Clinton is still in office, still has the veto power, and the Republicans alone could not override. So what can we expect? We'll ask our two guests:

[voice-over] Newt Gingrich, one of them, and one of the most knowledgeable members of the Senate, Daniel Patrick Moynihan, Democrat of New York. Some background from our man Jack Smith, and our discussion here with George Will, Sam Donaldson and Cokie Roberts, here on our Sunday program.

[on camera] First, a little news since the Sunday morning papers. President Clinton, maybe by design, is escaping the political turmoil here in Washington. He is traveling in the Pacific rim.

[voice-over] In the Philippines, he visited an American military cemetery, the largest outside of this country. Thousands of American and Philippine troops killed in World War II are buried here. From here, he went on to Indonesia.

Astronauts in the space shuttle retrieved an atmospheric observation satellite and will

bring it back to Earth tomorrow. It may offer some new information about changes in the Earth's ozone layer.

[on camera] Here with us now is Dan Lungren, California's attorney general, and in the studio George Will and Sam Donaldson. Mr. Lungren- we have asked him to come in and answer some questions for us about Proposition 187. It passed on Tuesday - 59 percent to 41 - but there's a great deal of anger and hostility in the streets and the courts have already held it up until there are hearings starting this week.

Mr. Lungren, thanks very much for coming in.

DAN LUNGREN, California Attorney General: Thank you.

DAVID BRINKLEY: Pleasure to have you with us. Answer this for me, if you will. If we continue to have immigration problems, wouldn't it be better if we settled them outside of the country instead of- close the border and settle the difficulties before they come in?

DAN LUNGREN: Oh, I don't think there's any doubt that the federal government has the primary responsibility for it. I was in the Congress for 10 years, on the Immigration Subcommittee for eight, ranking Republican for four. We did something in 1986 with a very balanced law. We had the most generous legalization program in the history of any modern society, which was one-half of it. The other half was supposed to be enhanced enforcement. We did very well with the legalization program. The federal government has failed miserably with respect to the enforcement side of it.

So, yes, I would prefer that and yes, that is an obligation, but in the meantime here in California, we have a chronic problem of illegal immigration which really overwhelms the acute problem that you see in Florida. The problem with Washington, D.C. is every time there's an acute problem in Florida, it becomes a national emergency, they rush funds down there, personnel down there - they even put military on the high seas to stop it - and yet when we have that really occur almost daily in California, we are ignored. So I think it's a bit much to ask California to sit and wait till the federal government completely does its job.

DAVID BRINKLEY: Well, in Florida, they have to cross some water to get there. In California, they simply walk in. Isn't there a difference?

DAN LUNGREN: Oh, sure, there's a difference. Some people call it the 'first foot rule,' that is, if you get your first foot in, you qualify for all benefits and services here. And I think, you know-

DAVID BRINKLEY: George?

DAN LUNGREN: Okay.

GEORGE WILL, ABC News: Mr. Lungren, the whole point of Proposition 187 is to provoke a reconsideration on the part of the Supreme Court of a 1982 decision that was decided five to four and imposed upon states the obligation to make these services available. Since then, the court's composition has changed considerably. Only one member of the five-person majority is still there. Two members of the four dissenters are still there. Can you tell us how you think - given the composition of the court - this is going to fare?

DAN LUNGREN: Well, all I can tell you is we have a reasonable prospect for success. I can't guarantee it, I can't say they'll even take it for sure. I have- I came very late to deciding to support it. One of the things I looked at 187 for was whether or not it had been written in such a way that it would make it more likely than not that the Supreme Court would take it. I still think that's the case. We will still have to go through the California system and go through a review of what the California constitution says, and I'm sure some will attempt to try and knock it out based on that.

But we're prepared for that, and we think we have a different set of facts than did Texas in the Tyler case in 1982, in addition to the fact that there are different members of the court now present. In 1982, they said that the state of Texas did not make an argument that proved that there was a compelling state interest. They didn't show that there was a negative fiscal impact on the state of Texas as a result of illegal immigration.

SAM DONALDSON, ABC News: Mr. Lungren-

DAN LUNGREN: We did show that.

SAM DONALDSON: Mr. Lungren, some people in California - administrators of school, medical facilities - have already said that they will not enforce it. If the courts clear the way for enforcement, will they be committing a crime if they refuse to enforce it?

DAN LUNGREN: No. No, they won't be committing a crime. I've tried to make it very clear there's no prosecution that would be in the offing. There are, of course- it's a mandate-

SAM DONALDSON: Well, then how do you, how do you make people enforce this proposition if there's no prosecution?

DAN LUNGREN: Well, there's something called a civil writ of mandate. And the other thing is, in the state of California, while you may contest a particular law, the California constitution and the statutes make it very clear you're supposed to enforce that law in the interim. That happens all the time. And I don't know why this is so unique. I served as a Republican member of the Congress for 10 years, during which

time Democrats passed bill after bill after bill that I didn't agree with, but I followed those laws.

SAM DONALDSON: Clear up-

DAVID BRINKLEY: Sam?

SAM DONALDSON: Our time is short, but clear up one thing for me. Children of illegal immigrants- illegal aliens who are born here in the United States, they'll not be cut off, right?

DAN LUNGREN: With respect to education, there will be a requirement for proof that they have a residency and a legal residency with their family here. If that were the case and their family were forced to go back to Mexico, I assume they would go as well. Also, it would not be immediate. There's a 45-day period in which to show that they have the documents. Failing that, they then have another 90 days to actually make preparations to do whatever they're going to do.

DAVID BRINKLEY: Mr. Lungren, thank you. Thank you very much.

DAN LUNGREN: Thank you.

DAVID BRINKLEY: Coming next, Jack Smith with some background, and Senator Daniel Patrick Moynihan, Democrat of New York, one of the most respected members of the Senate; and Representative Newt Gingrich, the Speaker of the House-in-waiting - in a moment.

[Commercial break]

DAVID BRINKLEY: Politics is a tough business. As we have seen, after a lifetime in your job, you can be unemployed in one day with no notice. On Tuesday, that happened to a lot of Democrats. For one example, Senator Jim Sasser of Tennessee, one of the more prominent members. He assumed he would be re-elected easily, and he planned to try for a position in the party leadership. He lost.

Jack Smith has looked over the Democratic Party's wreckage. Jack?

JACK SMITH, ABC News: [voice-over] David, it's election recess, but soon the empty halls of Congress will fill with the boisterous sound of a new Republican majority.

Rep. NEWT GINGRICH, (R), Georgia: For smaller government, for lower taxes, for less bureaucracy.

Rep. ROBERT K. DORNAN, (R), California: We will keep America strong, defend the family.

George Nethercutt, (R), Senator-elect, Washington: Local control, personal responsibility.

Sen. PHIL GRAMM, (R), Texas: It is a mandate for dramatic change.

JACK SMITH: [voice-over] A political realignment, especially in the Old South, symbolized by the defection to the GOP of Senator Richard Shelby of Alabama, after 16 years on the Hill as a Democrat.

[on camera] Not a single Republican incumbent here lost, only Democrats, and the new GOP majority promises to turn Washington upside down and to push government out of the way.

[voice-over] Representative-elect Sue Myrick of North Carolina is one of the new crop of Republicans. A former mayor of Charlotte, she is conservative and believes in less government.

Rep.-Elect SUE MYRICK, (R), North Carolina: I believe there is a better way to deliver government services. I believe we can do it less expensively.

Rep.-Elect JOHN SHADEGG, (R), Arizona: 'Democrats, change or die.' Boy, isn't that the truth.

JACK SMITH: [voice-over] In Phoenix, Arizona, Republican John Shadegg, just elected, also an enemy of big government.

Rep. JOHN SHADEGG: And the American people simply said no to that. I think they truly want change and they're willing to give Republicans a chance.

JACK SMITH: [voice-over] The last time that happened - with Republicans on the Hill and a Democrat, Harry Truman, in the White House - they were called the 'do-nothing 80th Congress' and thrown out after just two years. This Republican Congress, however, has an agenda.

The GOP's 'Contract With America' unveiled two months ago on the Capitol steps, outlines a 10-point agenda supposed to be voted on in the first 100 days: congressional reforms, including a smaller staff, fewer perks and term limits; a tougher crime bill; curbs on lawsuits; welfare reform; and, prominently, a promise to balance the budget while also increasing defense and decreasing taxes. That spooked Wall Street, because it sounded too much like the free lunch of the 1980's, and stocks fell this week.

ALLEN SINAI, Lehman Brothers: The Wall Street concern over what's going on in Washington is the danger that the federal budget deficit could explode, get larger.

JACK SMITH: [voice-over] The contract is the brainchild of one of the architects of Tuesday's upset, GOP Speaker-in-waiting Newt Gingrich who, in order to seize

power, has preached a strategy of confrontation, but now will have to govern. Gingrich this week has spoken of restoring prayer in the schools and of rethinking popular social programs like Head Start and the Job Corps, all in order, as he says, to move from a welfare state to an opportunity society.

Rep. NEWT GINGRICH: That means we have to say to the counterculture, 'Nice try. You failed, You're wrong.' And we have to simply, calmly, methodically reassert American civilization.

JACK SMITH: [voice-over] Some of the new power brokers on the Hill - likely GOP chairmen: Texan Bill Archer on the tax-writing Ways and Means Committee, who believes in supply-side economics; Virginian Thomas Bliley on Health and Environment, who's unlikely to press the tobacco companies very hard - the biggest employer in his district is Philip Morris; and in the Senate, Jesse Helms on Foreign Relations; and on banking, Alphonse D'Amato, who's promised to investigate Whitewater.

Sen. ALPHONSE D'AMATO, (R), New York: [July 29, 1994] The White House has concealed, disguised and distorted the truth.

JACK SMITH: [voice-over] All make gridlock these next two years seem more likely. The President said he'd make an effort to collaborate on his agenda-

Pres. BILL CLINTON: I think there's a lot we can work together on that will be consistent with my convictions, consistent with what I have always believed, consistent with what I have always worked for.

JACK SMITH: [voice-over] -and incoming majority leader Bob Dole told him he'd try to meet him halfway-

Sen. ROBERT DOLE, (R), Kansas: And I wanted to let you know right up front that we want to work together where we can.

JACK SMITH: [voice-over] -but conservative Phil Gramm, a likely rival for the GOP presidential nomination, said, 'Forget it.'

Sen. PHIL GRAMM, (R), Texas: Why should we want to go halfway in the wrong direction?

THOMAS MANN, Brookings Institution: The odds are that after the initial sounds of bipartisan cooperation, the Congress and the President will settle into intense conflict.

JACK SMITH: [voice-over] In two weeks, the first indication of whether that will happen when the old 103rd Congress reconvenes in lame-duck session to vote on GATT, the important General Agreement on Tariffs and Trade. Stay tuned. David?

DAVID BRINKLEY: Jack, thank you. Coming next, Senator Daniel Patrick Moynihan, Democrat, New York; and shortly, Representative Newt Gingrich of Georgia, the new Speaker of the House-in-waiting, in a moment.

[Commercial break]

DAVID BRINKLEY: Senator Moynihan, thank you very much for coming. Pleased to have you, as always. You know everyone here - George, Sam.

Sen. DANIEL PATRICK MOYNIHAN, (D), New York: Good morning, all.

DAVID BRINKLEY: Thank you. Thanks for coming. Now, tell me - you as a no doubt wise and perceptive observer - what do you make of this election?

Sen. DANIEL PATRICK MOYNIHAN: Well, we Democrats did say we were the party of change and, well, there you have some of it. But if I can, in great seriousness, say we'll know in two weeks' time.

Jack Smith mentioned, as he closed out his section this morning, the vote on the Uruguay round, the General Agreement on Tariffs and Trade, which will take place November 28th in the House, December 1 in the Senate.

DAVID BRINKLEY: Senate.

Sen. DANIEL PATRICK MOYNIHAN: It will be the most important vote of the decade. It is the culmination of 60 years of American international trade policy, the trade policy that tried to put off World War II, didn't succeed, but has kept the peace since. It is the largest tax cut in our history - \$130 billion. It is- President Reagan began this, and the Uruguay round President Bush did most of the negotiating, and President Clinton finished up a year ago.

Now, sir, I have to tell you something. We need 60 votes in the Senate to waive the Budget Act so that we can pay for this only for five years, because we're cutting tariffs, which is losing revenue. As of this moment, we have 26 votes.

SAM DONALDSON: A little short?

DAVID BRINKLEY: Do members of the Senate, all members, understand this?

Sen. DANIEL PATRICK MOYNIHAN: No. It was assumed otherwise. The Tokyo round, which was the last GATT negotiations voted on in 1979, passed the Senate 90 votes to four.

GEORGE WILL: Senator, you've been around or in government since you went to work for Governor Harriman four decades ago. What happened last Tuesday was a

broad expression of contempt for government. Has government earned it and if so, how?

Sen. DANIEL PATRICK MOYNIHAN: I'd like to just say quickly there's- opening up trading systems gets government out of your way-

GEORGE WILL: I understand.

Sen. DANIEL PATRICK MOYNIHAN: -and I just want to make that point. We will regret this for a generation.

Do we have too big a government in Washington? Of course, we do. Do we have the results of a half-century of war and Cold War gigantism everywhere? Of course, we do. Do we have bureaucracies that have just been forgotten about while the urgency of the Cold War, the daily threat, the morning briefing by the national security adviser- Twenty minutes to decide whether those are Canadian geese or SS-18 missiles- has left us without attending to things that make government simple and friendly.

One of the bills the President signed after we left town - the so-called 'nanny tax' - we finally decriminalized babysitting. We had let it become- I mean, any 14-year-old in that great rite of passage where you're told you can look after the two kids and 'we'll be back at 11 o'clock and put them to bed at 8:00' and so forth. If you didn't fill out your forms, the government would be after you.

GEORGE WILL: Okay. Help me understand how the President's mind works on this. In his press conference the day after the election, he said the following. I'm- there's a little ellipsis in her that I'm leaving out, a parenthetical statement by him. He said the following on the health care issue: 'I will concede that by the time the folks who are characterizing our program had finished with it, it looked like a government program designed to solve the problem by restricting the choices of the American people and injecting the government more into health care. That is not what I want to do.'

Sen. DANIEL PATRICK MOYNIHAN: Good. Then we can have a health care bill. That's not what he-

GEORGE WILL: But did the- who misunderstood Clinton's program, the American people or Mr. Clinton?

Sen. DANIEL PATRICK MOYNIHAN: Possibly the President. The American people got it clear enough. I mean, you know, there were two principles-

GEORGE WILL: What does that tell us about the man who didn't understand the centerpiece of his presidency?

Sen. DANIEL PATRICK MOYNIHAN: Well, he may have had other things on his

mind.

GEORGE WILL: What- it's monomania he's accused of, of having nothing on his mind.

Sen. DANIEL PATRICK MOYNIHAN: But it's nice to know the American people got it straight, and we didn't do any harm. Primum non nocere. That's what the doctor-Hippocratic oath. Remember, the first- there are two cost-containment provisions in that bill. The first was to cut the number of doctors in the country by a quarter - makes certain sense. If you have fewer doctors, you have fewer doctor bills, but you don't associate it with improving medicine. And two was to cut the number of specialists in half.

GEORGE WILL: Mr. Moynihan, your friend and colleague, Senator Kerrey from Nebraska, said, 'This election was a severe, sharp and obvious repudiation of the President.' If that is true - and you may disagree - what does that say about 1996? Will Democrats walk off the cliff with this?

Sen. DANIEL PATRICK MOYNIHAN: We've got to learn that- we sat around and let government get too big and then set out to make it even bigger in the health care. Want a constitutional amendment for a balanced budget? Sign me up. I mean, let's get it over with. And let's start looking at those vast subsidies all through the system that make economies uneconomic- I mean, in industries, sectors in the economy. Let's get right back- let's get the states doing what they do best, get out of these little programs which never add up to enough, and let us say, 'If you want less federal government, you can have it.' In any event, we can't pay for more.

SAM DONALDSON: Okay, we've signed you up for the balanced budget amendment, which is your previous position. Let's go down some of the other things. Line item authority veto for the President?

Sen. DANIEL PATRICK MOYNIHAN: As a constitutionalist, I'm against that. As a Democrat, I'm for it. I'm sorry, my good friend, Newt Gingrich, is going to have to think that one over hard.

SAM DONALDSON: All right. What about voluntary prayer in the schools?

Sen. DANIEL PATRICK MOYNIHAN: No. No, I think our First Amendment issues have been resolved that way.

SAM DONALDSON: All right. We'll cut the capital gains tax by half.

Sen. DANIEL PATRICK MOYNIHAN: If you could pay for it. Remember, everything you cut-

SAM DONALDSON: Are you suggesting the Republicans would put forward something they couldn't pay for?

Sen. DANIEL PATRICK MOYNIHAN: Well, now, let's see here. There's- I've got the Contract. You got to have the Contract, right? And-

SAM DONALDSON: I'm going down some of the things, obviously, our viewers know in the Republican contract.

Sen. DANIEL PATRICK MOYNIHAN: And are you- are you in favor of the-

SAM DONALDSON: Now, I ask the questions around here, Senator.

Sen. DANIEL PATRICK MOYNIHAN: Well, I want to know. You mean-

SAM DONALDSON: You tell us what you're in favor of.

Sen. DANIEL PATRICK MOYNIHAN: It's 'the American dream savings accounts' that I want. I want one of those.

DAVID BRINKLEY: What is that - the tax-free savings for-

Sen. DANIEL PATRICK MOYNIHAN: Well, it can't be tax-free, because we are \$4.5 trillion in debt. Look, there are good ideas in this contract.

SAM DONALDSON: Well, now- well, my question really is going to come down to whether you believe that most or all of the things in the Republican contract will in fact be passed by the United States Congress.

Sen. DANIEL PATRICK MOYNIHAN: A good number, and they should. You can't have an election like this and act like the people didn't say that, first of all, they didn't know about this. They knew about this and that- they must have voted for it. Now, I am-

SAM DONALDSON: All right, what's your advice- I'm sorry. What's your advice to the President? Obviously, he'll have nothing to say about the constitutional amendments - that won't go to him - but other parts of the Contract with which he may disagree? Should he go along? Should he, in fact, have a confrontational attitude?

Sen. DANIEL PATRICK MOYNIHAN: The test is going to be on the GATT. Mr. Gingrich, the speaker-designate, speaker to come, has said he is willing to cooperate but not to compromise. Well, this is not a compromise.

DAVID BRINKLEY: George, we have a little time left. How about you?

SAM DONALDSON: Well, could I just get the answer to my question?

Sen. DANIEL PATRICK MOYNIHAN: Yes. I think the President should insist, and the Office of Management and Budget will insist on honest budgeting and getting the real numbers and making- anything you want to do, you have to pay for it.

DAVID BRINKLEY: George?

SAM DONALDSON: And veto those things which he, in his judgment, thinks are inappropriate?

Sen. DANIEL PATRICK MOYNIHAN: Yes. That's his job.

DAVID BRINKLEY: George, we have about a half a minute.

GEORGE WILL: The revolutionary nature of the balanced budget amendment may not have dawned on people. I'd like to get your opinion of it. If you have an existing welfare state that is swallowing the budget and you have an aging population that drives the welfare state higher and higher as a percentage of the federal budget, and you have tax-o-phobia in the country - resistance to new revenues - and you have a revolution against unfunded mandates imposed on the states whereby the federal government works its will without money- take all those together and then add a balanced budget. Isn't the federal government, in five or six more years, nothing but a transfer-payments pump with no discretion?

Sen. DANIEL PATRICK MOYNIHAN: Pretty much, and the American people will look harder and harder. We had- we were going to have a constitutional convention to provide a balanced budget amendment and it went through the first 30 states like that, bang, got closer to 35 and suddenly fell off and died in the '70s. I think when people look at this, they won't want it, but they've asked for it and they are going to have a chance to say, 'I guess, after all we don't.'

DAVID BRINKLEY: Senator Moynihan, I wish we had more time, but we don't. Thank you very much for coming.

Sen. DANIEL PATRICK MOYNIHAN: Thank you.

DAVID BRINKLEY: Pleasure, as always. Come again.

Sen. DANIEL PATRICK MOYNIHAN: Be of good cheer.

DAVID BRINKLEY: Good. We'll do that.

Sen. DANIEL PATRICK MOYNIHAN: You say it to us or Mr. Clinton?

DAVID BRINKLEY: Coming next, the new Republican firebrand, Representative Newt Gingrich of Georgia, in a moment.

[Commercial break]

DAVID BRINKLEY: Mr. Gingrich, thanks for coming. Pleased to have you.

Rep. NEWT GINGRICH, (R), Georgia: It's good to be here.

DAVID BRINKLEY: You know George, Sam. Now, you have promised something like a bloodless revolution, promised to change programs that the Democratic Party has clutched to its bosom for a generation and more, has been in love with them, and you're going to do away with a great many of them. Can you get this past a president who still has the veto power, still in office?

Rep. NEWT GINGRICH: Well, I don't want to assume, to start with, that the President's going to veto everything. I think that-

DAVID BRINKLEY: But he has the power to.

Rep. NEWT GINGRICH: He's talked about welfare reform. I mean, he's talked about a number of changes. He's talked about reinventing government, and we have to figure out is there a way that we can work together on the things we agree on while vigorously disagreeing on other things. I don't think it can be all one way or the other.

I was encouraged that Senator Moynihan was just now, I think, very positive about the need to shrink the central government, get power back to the states and to recognize that government may not be able to do everything.

DAVID BRINKLEY: Well, almost everyone in this city says government is too big, but no one is willing to do anything about it.

Rep. NEWT GINGRICH: Well, I think, starting on the 4th of January, they're going to have lots of opportunities.

DAVID BRINKLEY: All right, we'll watch. George?

GEORGE WILL: First, a few housekeeping matters. Do you expect to have some House members switching as Senator Shelby switched?

Rep. NEWT GINGRICH: I think it's very possible. There are six or eight people who are now talking with various Democrats and we may well, before the swearing-in in January, have some people who decide to be Republican. We'd certainly welcome them.

GEORGE WILL: In your recent letter to Speaker Foley, you said the following: 'An area of concern is the possibility that key documents or official records could be removed or destroyed during the transition process.' What are you worried about?

Rep. NEWT GINGRICH: Well, the truth is when you've had 40 years of one-party rule, we don't have any idea what the documents are, and we don't have any idea what the records are. And I only want to make sure that we get access to the full documentation and that you don't have who decide, for their own reasons, to either destroy or to take away documents that are, in fact, public documents.

GEORGE WILL: Two questions about running the House. Over the recent decade or so, the number of closed rules restricting the ability of the minority to amend bills has gone very high. What is your policy going to be, or is this going to be a payback where they have to suffer as you suffered?

Rep. NEWT GINGRICH: No. No, in fact, we're going to try to go back much more to the Sam Rayburn model. We will have open rules for the first hundred days, except for Ways and Means bills, and on Ways and Means bills, we will offer a series of opportunities for the Democratic leadership to offer amendments. But, as you know, neither party's ever had open rules on a tax bill, for obvious reasons. But I think you'll see it being the most open and the fairest House in recent memory, going back to Rayburn, in terms of the average member's ability to offer amendments.

GEORGE WILL: One of the first things the Democrats did after the '92 election, was to give votes in the Committee of the Whole to delegates from the Virgin Islands, Puerto Rico, District of Columbia, Puerto Rico and Guam. Are you going to take that back?

Rep. NEWT GINGRICH: Those are gone. I mean, we opposed them at the time. We said it was outrageous. Speaker Foley himself, in 1970, had said that it was unconstitutional. We had a lawsuit about it and they will not have votes on the House floor.

SAM DONALDSON: A lot of people are afraid of you. They think you're a bomb-thrower - worse. You're an intolerant bigot. Speak to them.

Rep. NEWT GINGRICH: Well, I think if you look at my record rather than some of the media coverage, the fact is that I'm a college teacher with a very broad view of what makes America work, that I've reached out again and again and worked closely, for example, with Mayor Schundler in Jersey City, trying to help the poor. I'm very, very concerned about an integrated society where every person lives in a safe neighborhood and every person has the right to pursue happiness and the opportunity to pursue happiness. And, you know, when I was nominated for whip, the people who nominated me were moderates. I carried the moderate wing of the party in the House for whip and for leader.

SAM DONALDSON: Yes, but it's the way you talk. You talk about the Clintons as members of the counterculture, the elitists, the left-wingers. How can you have an accommodation with the President when you read him out of 'the Americans,' as you put it?

Rep. NEWT GINGRICH: No, no, no. I think that there's a real difference between looking at people's background- I'm a Reaganite. He was a McGovern field director. I mean, I don't think this is complicated and I certainly don't mean it as a pejorative in any sense of reading him out of anything. I think- but if you try to analyze the wellsprings of our behavior, it's reasonable to suggest that I'm more likely to resemble Reagan, he's more likely to resemble the pre-small business George McGovern, with whom I have a lot in common since he tried to run a hotel.

SAM DONALDSON: So often, when you talk about people, you don't talk about it in just terms of the differences and arguments over policy or theology or philosophy, but you talk about it in terms of the American way - your way - and their way-

Rep. NEWT GINGRICH: No, no, no, no.

SAM DONALDSON: -which you suggest isn't American.

Rep. NEWT GINGRICH: No, no, no. I'm suggesting that there is an American civilization, that there are a set of definitions of being American - the work ethic would be one of them.

SAM DONALDSON: Well, are we all included, or just a few of us?

Rep. NEWT GINGRICH: No, virtually everybody- first of all, everybody is legally an American if you're an American citizen. The question is what does it mean, for example, if you're an immigrant and you arrive in America and you say, 'I want to learn to be an American'? Is there a way of life which has culturally worked for 300 years to give the maximum opportunity to the widest range of people? The most successful multi-ethnic society in human society. I just think, as a history teacher, that's worth studying and that's worth knowing about.

SAM DONALDSON: Okay, let me ask you about another one of your phrases. You once called Bob Dole 'the tax collector for the welfare state.'

Rep. NEWT GINGRICH: In 1984, we were having a very strong argument about whether or not to adopt a no-tax-increase plank in the Republican Party. Bob and I work together a lot. He and I- I think he would probably suggest I have matured some. I certainly think that he has clearly moved to a more conservative anti-tax position than he was in the '80s.

SAM DONALDSON: Are you going to be able to work with him well, or are there going to have differences? [sic]

Rep. NEWT GINGRICH: I- I mean, we'll have differences and work together well. You can't lead the Senate and lead the House in lockstep, but Bob Dole unequivocally the hardest-working and, I think, extraordinarily effective Republican leader. He was in 87 House seats while also helping senators and governors. He has a tremendous well of good will in the House.

DAVID BRINKLEY: Now, one detail without any rhetoric. You want a balanced budget amendment. How much would it cost you if you got it- cost the government if you got it?

Rep. NEWT GINGRICH: Well, I think you'd have a government, over five to seven years, that would be substantially smaller. It would probably be- again, it depends on how you keep score, but it would probably be a half-trillion dollars smaller seven years from now than it would be if you allowed the liberals to keep borrowing money and charging it to your children.

DAVID BRINKLEY: Well, you're going to have a list of who gets laid off, fired, sent off?

Rep. NEWT GINGRICH: No, I think you have an open dialogue about whether the American people want to go through that transformation to a smaller government or whether they want to continue to borrow from their children and grandchildren.

GEORGE WILL: Well, that's-

Rep. NEWT GINGRICH: I think that's a legitimate dialogue.

GEORGE WILL: That is the question, whether the American people are ideologically conservative, but operationally liberal, that they will flinch when it comes time to cut. Let me give you a few examples. One of the largest expansions of the government's regulatory and intrusive activity in recent years was the Americans With Disabilities Act. Will the Republican majorities prune that act- that legislation?

Rep. NEWT GINGRICH: I don't think we'll- again, I want to draw a distinction between more or less and transformation, George. I believe that local communities should have the opportunity to apply local common sense without a Washington bureaucracy. You want to maximize every American's right to be- to participate fully. You want to maximize those with challenges and disabilities. I don't think that ought to be done by a Washington bureaucracy drawing Washington lines to then be enforced across the board everywhere in America.

GEORGE WILL: That sounds like repeal of the Americans With Disabilities Act.

Rep. NEWT GINGRICH: No, I think- I think you set a goal for the whole country and you ask yourself- I trust the American people. I believe that if you said to the

nationally we ought to take a different view.

In the first place, for about 10,000 border patrol total, you basically seal off the border. Now, if you know it's costing you \$3 billion a year in California alone with illegal aliens, 10,000 border patrols is a very inexpensive investment. That starts to dry up the problem.

Second, I do believe, and I've told Governor Wilson this, I believe that the federal government should either relieve mandates and allow states to manage the problem or the federal government should pay for it.

But illegal aliens is a national problem. We recently had a raid in Smyrna, Georgia, a town in my district, and of the 30 people picked up on a Saturday night, 25 were illegal aliens at a particular bar. And, you know, this is Smyrna, Georgia. This is not San Diego. you

And so I think that it is the federal government's responsibility to police the federal borders and the federal government has an obligation to stop illegal aliens, and if we fail to, we have an obligation to pay for them, not require the states to pay for them.

MR. RUSSERT: Lisa?

MS. MYERS: Congressman, I'd like to focus on welfare reform. The First Lady, Hillary Rodham Clinton, came after you last week, saying that your proposal to put the children of mothers who could not afford to support them in orphanages was both unbelievable and absurd. How do you respond to that?

MR. RUSSERT: I'd ask her to go to Blockbuster and rent the Mickey Rooney movie about "Boys' Town."

I mean, my answer to her in part is, you know, the little four-year-old who was thrown off the balcony in Chicago would have been a heck of a lot better off at Boys' Town, that the 11-year-old who was killed after he killed a 14-year-old might have had a chance to live in a supervised boarding school, that the children you see in DC killed every weekend might be better off in a group home or a foster home.

I don't understand liberals who live in enclaves and safety who say, "Oh, this would be a terrible thing. Look at the Norman Rockwell family that would break up." The fact is we are allowing a brutalization and a degradation of children in this country, a destructiveness. We say to a 13-year-old drug addict who is pregnant, you know, put your baby in a dumpster, that's okay, but we're not going to give you a boarding school, we're not going to give you

a place for that child to grow up. There is no place.

There are, I think, 800 cases of child abandonment, infant abandonment in this city alone. Now, wouldn't it have been better for that girl, instead of dumping her baby in a dumpster, to have had a place she could go to and say, "I'm not prepared to raise a child. Would you please raise this child?" instead of dumping it in a dumpster?

MS. MYERS: But it isn't just liberals who object to this proposal. Senator Bob Dole and Phil Gramm, who's hardly a bleeding-heart liberal, have said that orphanages are going too far. Are you prepared to --

REP. GINGRICH: I don't think they've read my proposal, and I don't know what question they're responding to.

If you say to them, "Would you rather have Boys' Town or its equivalent in Washington, DC, so that a child is not dumped in a dumpster -- 800 cases -- or would you rather -- we'll keep trying to find them before the dumpster kills them?"

I don't see how -- I mean, I don't understand the reality base of people who say, "It's better for that four-year-old boy to have been thrown off a balcony than to provide a decent, organized alternative that would not have that child" -- remember, his seven-year-old brother fought off those two kids and bit them in order to save his brother once. They came back a second time and pinned down the seven-year-old and threw the four-year-old off the balcony.

MS. MYERS: Who would decide whether a child ended up in an orphanage? Would this be a voluntary decision on the part of the mother, or would this be a decision a bureaucrat or a judge made?

REP. GINGRICH: In the 19th century, it was generally -- normally voluntary, and it wasn't a true orphanage. I think a boarding school or a group home is a more accurate statement. James T. Wilson of UCLA sent me a note the other day that said, "What you're really describing here is the right to have a voluntary alternative for very, very young parents who believe that they can't raise their own child."

But, again, I ask you -- NBC ought to look at what were the statistics last year on children under a year who were abandoned, with no place to go, and wouldn't it have been better for those mothers to have known, "Here's an 800 number I can call. Here are people who want children to take care of, and I don't have to dump them in a trash dumpster."

MS. MYERS: The welfare reform proposal being drafted by House Republicans also would do away with what for many years has been

a guiding principle of both anti-poverty and food programs, which is that anyone who is poor enough to qualify for these programs gets help. Why would you want to abandon that proposal?

REP. GINGRICH: Because, as Franklin Delano Roosevelt warned in the late 1930s, giving permanent aid to anyone destroys them. The fact is we've established a principle which has created a culture of poverty that is devastating, and we have to reassert that to be a healthy, full American participant is to work.

And, again, this is hardly a right-wing proposal. It's Governor Bill Weld of Massachusetts, who has said, "60 days' help, and get to work."

You know, across the country the governors are saying flatly, "You block grant this, you give it back to us. Let us have 50 experiments."

I mean, can any serious American argue that the federalization of poverty has worked? That this is a system that we're prepared to say has been a success?

And so let's get it back to the states. Let's have an experiment in Atlanta and an experiment in Los Angeles and an experiment in Chicago. The ones that work we ought to copy and, frankly, if the Congress were to focus on making DC a decent humane place and let the 50 governors focus on the rest of the country, I suspect that we'd be a lot better society.

MS. MYERS: A few years ago, Bob Dole said, "I'm not going to let somebody go hungry or homeless in America. If there's nobody else to do it, the federal government is going to do it." Even Ronald Reagan believed in a social safety net.

REP. GINGRICH: I believe in a social safety net, but I think that it's better done by churches and by synagogues and by volunteers. I think you ought to have -- it's better done by the state government, it's better done by the cities. There doesn't have to be a federal, nationalized -- by the way, Ronald Reagan proposed in 1976 to send back \$90 billion -- in then-year money -- \$90 billion in domestic spending and \$90 billion in tax base, so as early as 1976. He repeated it in his state of the union in 1982, and what we're proposing is very much in the Reagan tradition of letting -- you know, the federal government is not the only entity in America.

MR. RUSSERT: Bob Novak.

MR. NOVAK: Mr. Gingrich, when you and Senator Dole met with President Clinton on Friday, Senator Dole was asked whether you talked about tax cuts. Senator Dole said, "No, he didn't get to the tease."

Is that about where your priority for tax cuts are?

REP. GINGRICH: Well, no. I mean, the fact was that we were talking about the first three weeks of the Congress and things we could agree on to sign, and I don't think -- and that was, frankly, the framework for the Congress.

MR. NOVAK: Well, how fast are you going to get to taxes -- cutting the capital gains taxes?

REP. GINGRICH: Well, we're going to get to tax cuts in the first hundred days. We're going to keep the contract. I would point out to all of you who think I may have forgotten, this is the "TV Guide" ad. I carry it with me every day. We're going to read it as the opening speech every day. This is the campaign -- this is the contract with America -- and it says we're going to bring to the floor of the House a comprehensive tax cut bill in the first hundred days, and we will.

MR. NOVAK: But, sir, I'm told you're a lot farther in your thinking than that. I'm told that the Ways and Means Committee is getting ready to put out a tax bill. Can you give me a date on that?

REP. GINGRICH: No, Bill Archer hasn't told me. And, as chairman -- but we'll have dates, I think, by January 1.

MR. NOVAK: Now, the contract with America talks about both capital gains cuts and the personal tax exemption, which would be a middle class tax cut --

REP. GINGRICH: I think it actually starts with a child tax credit --

MR. NOVAK: Child tax credit.

REP. GINGRICH: -- which would be a \$500 tax credit per child, and it talks about repealing the Clinton increase on senior citizens with the increase in the tax on Social Security.

MR. NOVAK: So you'd have something, a package with all of that in?

REP. GINGRICH: Well, my -- we're going to keep the contract.

MR. NOVAK: All those elements.

REP. GINGRICH: All those will be in there.

MR. NOVAK: Okay. Now, in the last time you had a Republican Congress and a Democratic president, which was 1947-48, the Congress passed three tax cuts. President Truman vetoed all of them. If President Clinton vetoes your capital gains cut, will you keep passing it in the face of the veto?

REP. GINGRICH: Well, I'd have to talk to Senator Dole. My instinct would be yes, but everything we do, we're going to do in coordination with the Senate Republicans, so I'd have to ask Senator Dole what will work.

MR. NOVAK: So in other words, if Senator Dole wants to retreat, you would retreat on that.

REP. GINGRICH: I didn't say that.

MR. NOVAK: Well then, what did you say?

REP. GINGRICH: I'm not retreating at all. What I said was, a, we're going to keep our word, we're going to pass the tax cuts; b, that beyond phase one, anything House Republicans do for it to be effective has to be in coordination with Senate Republicans, and I want to meet with Senator Dole and Senator Lott and the Senate leadership and we'd want to work as a team. My guess is they would feel very comfortable allowing President Clinton to veto three, four, five, six tax cuts, but I can't make that position on here. I'm only going to be speaker of the House, and the Senate is, you know, a co-equal partner in the success of this.

MR. NOVAK: So in other words, they do have a veto power --

REP. GINGRICH: Well, they certainly have enormous influence. It's not a veto, but it's about 95 percent that way.

MR. RUSSERT: Congressman, will you insist that for every tax cut that is passed, it must be paid for with a spending cut?

REP. GINGRICH: I would -- no. I would insist that a panel of economists would have to give us an estimated value of that tax cut. For example, the boat tax increase killed jobs and cost money. It should have been scored as a negative. It lost money. Yet that was a tax increase. In a simple-minded socialist model, people would have said -- people did say, the Joint Tax Committee and the Office of Congressional Budget -- or the Congressional Budget Office both said, "Well, this will make money." It killed jobs and cost money.

Capital gains, every time it's been done, has gained money. A neutral cost recovery, clearly, on a five-year budget score. There's huge money. I mean, it actually makes money for the federal government.

So a new kind of individual retirement account that is backloaded so that you only take the account -- you only pay the taxes when you take it out at the end -- I would say you pay the taxes going in and you get tax-free money

when you retire actually makes enormous amounts of money the first five years.

Now, what you get out of the liberals is they don't like those things that don't make money in the first five years because they score badly, they don't like things that pay a lot in the first five years because they're bad later on, and what they're telling you is if it's a tax cut, they're against it.

We would have a panel of economists who would say this either is going to make money or it's going to lose money.

If it's going to lose money, we'll pay for it, but we're not going to accept a socialist model which basically denies the reality of the free market and scores things in a highly unrealistic way.

MR. RUSSERT: ^{large} So the deficit will go up in the short term in order to pay for tax cuts?

REP. GINGRICH: No, I didn't say that. There's an argument in this city -- again, for example, in the 1990 budget deal, which I opposed, the boat tax was supposed to raise money. It killed the boat industry, laid off thousands of workers, and cost money. It was scored falsely. It was unrealistic scoring.

MR. RUSSERT: I guess what concerns the American people is that the last time they were told you could have tax cuts and increases in defense spending and you could still balance the budget and the deficit went from 60 billion (dollars) to 400 billion (dollars).

REP. GINGRICH: Tim, I'm confused here. I know what concerns you. I know what concerns Washington. The American people, by overwhelming percentages -- in "USA Today" on Friday, 88 percent want us to pass a balanced budget amendment, 83 percent want us to cut taxes, and 53 percent want a personal tax cut in the first hundred days. The American people are pretty happy. Seventy percent support the Republican program. The American people want the changes we're bringing them.

MR. RUSSERT: So you'll have tax cuts and a balanced budget?

REP. GINGRICH: By 2002, we'll have a balanced budget. If we're still in power, we will have a balanced budget by 2002, barring a major war.

MR. RUSSERT: We have to take a quick break. We'll be back with more from Newt Gingrich.

(Announcements.)

MR. RUSSERT: We're back with the architect of the Republican takeover of the House of Representatives, Newt Gingrich, who will soon be speaker.

Foreign policy, Mr. Gingrich. Bosnia. Senator Dole on this program last week said, one, let's move the U.N. peacekeeping troops out, let's arm the Muslims.

One, should we use American troops to help remove the U.N. peacekeepers; two, should we spend American tax dollars to arm the Bosnian Muslims?

REP. GINGRICH: Well, let me say, first of all, that I think we need to step back and learn a very painful lesson from the last three years. The United Nations is a totally incompetent instrument anyplace that matters. It's fine as long as it's there largely as an international Red Cross doing good things. When you get to a serious problem with serious violence, the United Nations is literally incompetent, and it kills people by its behavior.

Second, the U.N. troops have been put into a strategically hopeless situation and should be pulled out immediately. I mean, it's just -- to have your troops so scattered that they're militarily -- they're hostages. I mean, it's not the Serbians who are hostages, it's the United Nations who are hostages, and to have a military force, NATO, which had been designed to defend Western Europe from the full weight of the Soviet empire, looking pathetic and helpless before Serbians strikes me as a signal to the world that is unbelievably dangerous, so I would say the following.

First of all, I agree generally with Senator Dole that we ought to -- the U.N. troops ought to get out; second, that we should indicate pretty simply and clearly to the Serbians we won't tolerate the general offensive and we have the sheer power to stop it; third, that in the short run, we should arm and train the Bosnians.

I mean, I believe in peace through strength. I don't believe -- I prefer to rely on the military rather than diplomats to protect your home, and the fact is that had the Bosnians been allowed to arm themselves, had they been trained three years ago, you would, in fact, have found the balance of terror, both sides would have subsided, and you wouldn't -- they wouldn't like each other, but you probably would have had fewer casualties and you'd now have an armed truce, which is the most you're going to get in that region in the next 30 years.

MR. RUSSERT: It may cost us several billion dollars to arm and train and support the Bosnians.

REP. GINGRICH: No, I don't think it'll cost much at

all. In fact, I suspect the Islamic world would gladly pay for the weapons. I think they'd gladly pay for the training. I think across all of Islam, it looks like a very weird double standard that we somehow don't seem to be able to help the Bosnians -- although Bosnian society is actually urban and ethnically mixed. It has Serbians, Croats, and Muslims all three living together in places like Sarajevo. It's not a purely Islamic state.

But I think this has been a terrible blow to the United Nations and a terrible blow to civilized behavior to look pathetically helpless. I mean, we're not going to fly the airplanes so that they won't shoot on us so we wouldn't have to retaliate?

MR. RUSSERT: What threats should the U.S. make to the Serbians if they mount an offensive?

REP. GINGRICH: I think the United States should ask General Powell and one or two other veterans, former Commandant Al Gray, to visit Belgrade and to visit the Bosnian Serb leadership and to say to them, "If you launch a general offensive, we would reserve the right to use air power against every position you have. Against every command-and-control center, against every position everywhere. We would reserve the right to take you apart and we would do it in three to five days and we would paralyze your capacity to function as a society. And we're telling you to just back off and accept an armed truce."

And I would do it all with air power, but I would do it like Desert Storm and I would do it like 1972. I would not do it when Nixon used B-52s against North Vietnam. I would not engage in this nonsensical, you shoot one missile at us, we'll drop one bomb. This is the dumbest -- this is though Lyndon Johnson and Vietnam never occurred.

MR. RUSSERT: You mentioned the United Nations. Should we consider not funding the United Nations at the current levels we do?

REP. GINGRICH: We should radically overhaul our entire attitude towards the United Nations. It is a failed institution in its current form. It has grotesque pretensions to be a world government. It is not a world government. It is a meeting place of sovereign nations with sovereign power. It is a useful but limited instrument for world discourse, and this administration's determined multinationalism is a disaster.

MR. RUSSERT: Lisa.

MS. MYERS: Congressman, school prayer. A number of top Republicans, Bob Dole, a number of Republican governors, even Ralph Reed at the Christian Coalition have urged you to go slow on this constitutional amendment on

school prayer. Do you still intend to bring an amendment to the House floor by July 4?

REP. GINGRICH: Well, let me say, as long as the term is "go slow" and go is still the first half of it, I'm willing to have hearings, I'm willing to listen. I think we ought to have a very sympathetic effort to bring together all Americans in a dialogue about what is appropriate, but when people learn -- most people don't realize it's illegal to pray. Most people somehow think that's not true. When they learn that a 10-year-old boy in St. Louis was put in detention for a week for saying grace privately over his lunch and was told if he insisted on saying grace over his lunch he would have to eat in an isolation room by himself, they think that's bizarre.

And so what I would like to have us do at some point after we get through the contract, maybe beginning in April or May, is have a series of hearings around the country, have an effort to look at is there a common ground that absolutely blocks government prayer and absolutely blocks the government from stopping a child from praying and creates a zone in the middle where a child is allowed to say grace over their lunch, they're allowed to have some opportunity to gather together voluntarily, and this is a very sensitive issue.

But I do think the notion of driving prayer and driving our Creator, to use the Declaration of Independence's term, out of public life so you can't discuss it, you can't talk about it, it doesn't exist -- I think it's just wrong, and I think it's something we have to -- I'm prepared to go slow, but I do want to go. I don't want to stop and I don't want to withdraw from that commitment.

MS. MYERS: Does that mean it would be on the floor after July 4?

REP. GINGRICH: I'm willing to consider bringing it up later on this year. I would like to bring it up early enough that it has a chance to go to the Senate. I think the contract comes first, the budget comes second, the appropriations bills come third, but I do think we should begin hearings no later than the spring and let's see what happens when people start hearing from children who have been told it is illegal to pray over your lunch.

MS. MYERS: President Clinton has talked about something less than what you've described. He's talked about having a law that would enable students to have a moment of silence at their desks. Is that something you could go for?

REP. GINGRICH: I want to come back to that one case in

St. Louis, which is a real case about a real child. Should it be possible for the government to punish you if you say grace over your lunch? I don't think it should be. I think -- that's what we used to think of as Russian behavior when they were the Soviet Union.

Now, I want to find out what's the legal remedy to allow a child to be able to say grace without being punished.

MS. MYERS: So you might settle for something less than a constitutional amendment, if that would solve the problem?

REP. GINGRICH: The Supreme Court so far seems to indicate you have to have a constitutional amendment even to be allowed to say grace.

MS. MYERS: Okay. One other thing. The hottest -- at the risk of changing your image -- the hottest topic in Washington this week was this new novel that you're writing. Did you really write the passages which -- about the, quote, "pouting sex kitten" and the, quote, "exotic mistress stretched languidly, mock innocent appeal in her eyes"?

REP. GINGRICH: Are you sure you should read those kind of things on a Sunday morning program?

MS. MYERS: Well, this isn't the worst of it. (Laughter.) Or the best, depending how you --

REP. GINGRICH: Let me say, first of all, I knew that we had sort of overdone the new speaker being important when it wasn't a leaked memo on personnel, it wasn't leaked legislation, it was a leaked draft of a novel. I mean, at that point, I thought, "This is Stage Two amusing."

I helped edit parts of that. I think, actually, that Bill Fortune and Jim Baen -- Jim Baen's the publisher, Bill Fortune's a professional novelist. We're writing a novel called -- which will probably be called "1945," which is about an alternative world in which Germany did not declare war on us in World War II after Pearl Harbor. We beat the Japanese, they beat the Russians, and now it's 1945 and Hitler's learned we have a Manhattan project and he assumes the atomic bomb is going to be used against Germany.

So that's the context. My instructions to the publisher -- we've been wrestling with this for a couple of months now, until Maureen Dowd got a copy of this in "The New York Times." (Laughter.) My instructions were, "It's got to be PG-13. It can't be an R-rated novel, but I'm pretty comfortable with a PG-13 novel."

And the point of that, by the way, is to start with a man who

has -- who is the chief of staff to the president who is, in fact, involved in a liaison with a German spy, and to set the stage for the novel, because he's the man in the setting who, in fact, tells her about the Manhattan project and alerts Hitler to the fact that we're building an atomic bomb.

MS. MYERS: So the pouting sex kitten is not your creation?

REP. GINGRICH: She's not my creation, but I think it's -- if you go back and look at Mata Hari and others, it's a pretty legitimate way to describe how it might happen in the real world.

MR. NOVAK: Mr. Gingrich, I'm going to go to a contract item. Many senior Republicans have said they're against term limits. They were pretty quiet during the campaign. Senator Mitch McConnell of Kentucky says now that you have a Republican Congress, you don't need term limits. Are you about to abandon term limits?

REP. GINGRICH: Absolutely not. I mean, you and I happen to have a deep disagreement over this, but, a, I believe we have an absolute contract to vote on, we're going to bring them up in the first hundred days; b, I personally will vote for a 12-year term limit in the House and Senate. The harder line term limit people want 12 in the Senate and six in the House. I think that's a mistake for two reasons. One is it splits the term limit forces, and I think it makes it less likely to pass a constitutional amendment, which takes 290 votes, and the second is I just think it's a matter of the long-run balance of power in Washington. The 12 and 12, keeping the House and Senate equal, is constitutionally better, but that's an argument about the shape of it.

We will vote on term limits. I favor 12-year limits in the House and Senate, and I will vote for it and try to pass it.

MR. NOVAK: Congressman McCollum of Florida, who claims to be an advocate of term limits -- term limit supporters don't think so -- says it's enough to bring it up for a vote. You've accomplished a lot. That sounds like you people are going to kind of do a fold on that and that you're not going to really pass it.

REP. GINGRICH: No, no, that's not fair. I talked to the U.S. term limits people and other people well before the election. I said, "Let's be honest. We can put it in the contract, we can get it to a vote. The fact is, it's very hard to get 290 votes -- "

MR. NOVAK: You're not going to pass it, are you?

REP. GINGRICH: They don't think -- they never thought it was going to pass, but what they said to me was, "You get us the first recorded vote in history compared to

Speaker Foley filing a lawsuit against term limits and you give us a chance to have a recorded vote and begin the process of this dialogue."

MR. NOVAK: Philosophically, Mr. Gingrich, this is a movement against career politicians, but you're a career politician. You like career politicians.

REP. GINGRICH: That's not true. That's not even true.

MR. NOVAK: Oh, yes. The term limit people want to end careerism.

REP. GINGRICH: No, that's just nonsense. In the 19th century, no major figure served more than 12 years in the House.

MR. NOVAK: But you're for --

REP. GINGRICH: I mean, Henry Clay bounced back and forth --

MR. NOVAK: -- you're for career politicians.

REP. GINGRICH: I'm for Jefferson, I'm for Henry Clay, I'm for Andrew Jackson, I'm for Abraham Lincoln, I mean, all these -- Theodore Roosevelt. Ronald Reagan, who, after all, served eight years as governor before serving eight years as president -- all these people -- I am for people knowing enough about government, but I don't think you have to stay in one institution to be effective as a citizen.

MR. NOVAK: Just quickly, another group that really supported the Republicans strongly in the last campaign, besides the term-limit people, was the Christian Coalition. Do you think that they will be very happy with your invitation for the gays to come into the Republican Party?

REP. GINGRICH: I wasn't -- I mean, it wasn't --

MR. NOVAK: I thought you said you would welcome them.

REP. GINGRICH: I'd welcome any citizen. I don't ask about people's private behavior in the bedrooms. That's what I said.

MR. NOVAK: Do you think the Christian Coalition feels betrayed on that?

REP. GINGRICH: No, I don't think the Christian Coalition feels at all betrayed. My position has always been that on homosexuality, our position should be neither repression nor promotion, it should be tolerance. That as a general principle, you shouldn't ask people about their private bedroom behavior.

I'm opposed to first-graders being taught about Heather has two mommies and other gay rights tracts, but I'm also opposed to have sex police in the YMCA bathroom.

MR. NOVAK: But you're recruiting gays for the Republican Party, aren't you?

REP. GINGRICH: No, no. I'm including any American citizen. I have yet to have somebody run up to me and say, "This is what I do in the bedroom. Can I be a Republican?"

MR. NOVAK: One more question. Do you believe that a small-businessman in America should have the right not to hire a gay because he doesn't want to hire gays?

REP. GINGRICH: I don't think -- I think that your private sexual behavior should be private, period. I'm against --

MR. NOVAK: -- (inaudible; crosstalk) --

REP. GINGRICH: -- any law which gives you a legal status based on your sexual behavior.

MR. NOVAK: So you think, then, a businessman should have the right not to hire --

REP. GINGRICH: Absolutely. Absolutely.

MR. NOVAK: -- a gay person?

REP. GINGRICH: Just as they ought to have a right not to hire you if you wear -- I mean, again, I'm going to be very controversial. I think if you walk in -- and my wife recently had her hair braided in the Bahamas while we were down there for a couple of days, and we were talking about it later. If somebody walks in -- and this is a very controversial position -- if somebody walks in and you think that, in your judgment, they're not going to do a good job -- let's say somebody walks in and says, "I really want to be an undercover cop but, by the way, I insist on dressing in a tux," you'd say, "That's crazy. You can't be hired."

Let's say somebody else walks in and says, "I really want to be a waitress, but I insist on wearing my hair in a way that nobody's going to want me waiting on their table."

I mean, there is a point here where there has to be some relationship between functionality -- not protected class, not legal status, but functionality.

Let's say somebody else comes in and says, "I'd really like to be a nurse, but my religion prohibits me from washing my hands." I mean, at what point do you quit saying, "Let's get the lawyers involved, let's give you a protected status. You're now

a victim, please sue," and you go back to common sense?

MR. RUSSERT: And the last question in this round, Mr. Gingrich. Will you try to overturn the law banning assault weapons?

REP. GINGRICH: We're going to look at that. My hunch is that it won't go through. I think it is a nonsense provision. I think that the fact is that it is illegal to have weapons in Washington, DC, and it doesn't stop a man from shooting President Reagan, doesn't stop a man from shooting at the White House.

I think you ought to be very tough on criminals. I think we ought to pass a law with a 10-year mandatory sentence for using a firearm in the commission of a felony, and I'm prepared to look at life in prison if you're a convicted felon out on parole and you have picked up and have a firearm in your possession.

MR. RUSSERT: But you'd leave the assault ban on the books.

REP. GINGRICH: I don't know yet. I'd like to repeal it. I don't know that it's practical to do it. I'd like to repeal it, and we're going to talk to our many friends.

I will say nobody -- I mean, the people who were defeated, as a general principle, were people who voted for the crime bill, not people who voted against the crime bill.

MR. RUSSERT: We have to take another quick break. We'll be right back after this message with more of Newt Gingrich.

(Announcements.)

MR. RUSSERT: We're back on "Meet the Press." Mr. Gingrich, a word you use a lot, "counterculture." Bill and Hillary Clinton are members of the counterculture. What does it take, what is the criteria to be a member of the counterculture?

REP. GINGRICH: Well, I was excited yesterday, as a former college teacher, to have Theodore Rozek (ph), who wrote the book on the counterculture, defending the concept and saying I misunderstood it. And he pointed out that the drug use they recommended was really a legitimate rebellion against middle-class repression, and the counterculture is a movement which began largely in the late '60s. It was a combination of essentially rebellion against middle-class values or rebellion against the idea of America as a singular civilization, arguing that the work ethic led to being workaholic rather than to productivity, arguing that being opposed to drugs was just some kind of "old fuddy-duddy-ism," that multi-partner sex was really not dangerous anymore because of penicillin.

And it began to collapse in the late '70s as people began to just come out of the anti-Vietnam War, anti-Watergate kind of attitudes and looked around and realized if you're going to compete in the world market, you'd better have a work ethic.

MR. RUSSERT: Why are Bill Clinton and Hillary Clinton members of the counterculture?

REP. GINGRICH: Well, my suggestion is look at the preachments of the surgeon general and ask yourself how could a president have a surgeon general who has suggested we consider legalizing drugs, who said at one point that she didn't see that selling cocaine was necessarily an illegal act, who has basically taken positions that are not just anti-Catholic but they, in effect, represent an attitude towards permissive sexuality that by any reasonable standard in a middle-class sense is destructive, and ask yourself why does the president keep her? I assume he shares her values. I assume he thinks it's okay.

MR. RUSSERT: You know, it's remarkable. I went back just reading about Bill Clinton and reading about you. There are so many similarities. Bill Clinton was for George McGovern, the most liberal Democratic candidate. In 1968, you were for Nelson Rockefeller, the most liberal candidate over Richard Nixon and Ronald Reagan.

REP. GINGRICH: Now, wait. Whoa, Tom -- Tim. This is -- to compare George McGovern with Nelson Rockefeller, because, I mean, I was for the man who was committed to integration and who, in fact, had a long record as a Republican anti-Communist activist.

I think there's a huge difference in your position on the political spectrum to be the McGovern field director of Texas and the Rockefeller chairman of Indiana.

MR. RUSSERT: Well, the Reagan voters in '68 did not like Nelson Rockefeller. They thought he was the --

REP. GINGRICH: Well, they didn't like Richard Nixon necessarily, either, but I'm just saying --

MR. RUSSERT: But I'm just saying -- we're just talking about -- I mean if you talk about 20 years ago. I mean, you said, one, you were for Rockefeller --

REP. GINGRICH: We grew up in about the same era. I am slightly older. I went to Tulane in Louisiana. He is from Arkansas. The fact is that, you know, we have some similarities. We both own Ford Mustangs from that era. (Laughter.) But, you know --

MR. RUSSERT: Now, wait. You also both admitted you smoked marijuana. You both --

REP. GINGRICH: That was a sign we were alive and in graduate school in that era.

MR. RUSSERT: You both avoided military service.

REP. GINGRICH: That's not true!

MR. RUSSERT: You both -- (inaudible; crosstalk) --

REP. GINGRICH: That's not true! I joined ROTC and dropped out because it didn't pay. I had two children before the Vietnam War started. I asked for no favors of any kind. I wrote no letters condemning the U.S. Army. I did not demonstrate in front of the embassy in London. There is no comparison in terms of our attitude towards the military. My dad was a career infantryman who spent 27 years serving his country, and I never asked for any kind of special treatment and I sure as heck didn't maneuver to get my draft board to not take me. There is no comparison on that front.

MR. RUSSERT: No draft deferments?

REP. GINGRICH: I had a student deferment before the Vietnam War and I had two children.

MR. RUSSERT: Do you think it would be wise, in our political process, to say, "Listen, what Bill Clinton did 25 years ago, what Newt Gingrich did 25 years ago, ought to be left there and let's have a truce, let's have a sense of let's move on to the future and put those things behind us"?

REP. GINGRICH: I think, first of all, if you're talking about personal behaviors -- I mean, Al Gore recently had some letter that came out that he wrote his dad when he was in college. If you're talking about personal behaviors a quarter-century ago, I think every American who is watching this show can think about 25 years back, ask yourself what's the dumbest single thing you did and be glad you're not running for president.

I also believe you and the press have an obligation to take, whether it's the speaker of the House or the Senate majority leader or the president and vice president, to look at everything. I mean, if you found out we were a cocaine dealer in 1965 -- I wasn't; I don't want this to be misinterpreted -- (laughter) -- but, I mean, if you were to find that out, that is a relevant fact about a potential president of the United States, and people need to know it. Every presidential candidate is a volunteer, and their entire life should be open, because we're going to give them the most powerful job on the planet.

Having said that, my point was not about the attitude of 25 years ago, my point is you've got scattered

throughout this administration counterculture people. I had a senior law enforcement official tell me that in his judgment, up to a quarter of the White House staff, when they first came in, had used drugs in the last four or five years. Now, that is a very serious private conversation. He's not -- and I'm not making any allegations of an individual person, but it's very clear that they had huge problems getting people through security clearance because they kept bringing people in who had a lot of things that weren't very easy to clear.

Now, that's a current attitude about a current position on a current problem. That's not 10 or 15 or 20 years ago.

MR. RUSSERT: You said -- you told the Heritage Foundation that, quote, "The press has been very tough on Clinton." What'd you mean by that?

REP. GINGRICH: Oh, I think that by any reasonable standard, you have been -- first of all, we live in an age affected both by the scandalmongering and the pressures to get people to pay attention to it, and we live in an age where the Watergate-Vietnam residue is an investigative hostility that's quite remarkable.

But we've always had a tough press. I mean, Jefferson and Hamilton had a tough press.

I have to say, as a Republican and a conservative, I don't -- I think the press has overall been very tough on the president and on Mrs. Clinton. I think you have as a general -- collectively, I don't mean you personally -- that the press generally has done investigative reporting. There've been some occasions -- you know about "The Washington Post" spiking one story about Paula Jones -- but as a general principle, I don't know of any president in my lifetime who has been as battered about his personal life and personal allegations and Whitewater.

Not saying it's right or wrong, but you can hardly argue as a conservative that the press has hidden from taking this administration very aggressively and looking at it, including whether or not there's confusion in foreign policy. I mean, I think this administration's had a tough press. I don't think they've had a friendly press.

MR. RUSSERT: Now that you're second in line of succession to the presidency, do you expect that kind of scrutiny of you?

REP. GINGRICH: I expect -- I was a little startled to see one story that said I had a hundred percent negative reporting from Labor Day to the election on the national networks. He'd only gotten 65 percent because he'd been out of the country. But, I mean, I expect thorough scrutiny, and I think if you're a

national figure at this level that the news media should fairly but aggressively look at everything.

MR. RUSSERT: Are you going to run for president?

REP. GINGRICH: I don't plan to.

MR. RUSSERT: Not in '96.

REP. GINGRICH: I don't plan to.

MR. RUSSERT: But you may in '96.

REP. GINGRICH: I don't plan to do anything. I'm going to be speaker.

MR. RUSSERT: But you're not saying no.

REP. GINGRICH: I'm not saying no to anything. I'm saying I don't plan to.

MR. RUSSERT: Lisa.

MS. MYERS: Mr. Gingrich, the House Ethics Committee is looking into whether you may have violated the rules in dealings between your political action committee and that college course you teach. You argued this week that the Ethics Committee has no jurisdiction in the matter.

REP. GINGRICH: I think --

MS. MYERS: If you have nothing to hide, and if you have done nothing wrong, why fight an investigation?

REP. GINGRICH: Look, I think it is utterly, totally outrageous. Most members of Congress do something with the nonprofit, whether it's a college or it's the Aspen Institute or it's the Black Caucus Weekend or it's the Arts Caucus. For the Ethics Committee to start getting into the question of whether or not the Ethics Committee approves of what a nonprofit institution does I think is utterly, totally outrageous and opens a Pandora's box that will be a nightmare.

They have no jurisdiction. The fact is everything's -- it's not a question of whether it's public. It's all public. I mean, we've made everything public. We're arguing about whether or not -- remember, I teach this course for free. I teach a 20-hour college course called "Renewing American Civilization," Ridenour (ph) College, for free.

MR. RUSSERT: Twenty seconds, Bob.

MR. NOVAK: Mr. Gingrich, if you're really interested in congressional reform, are you ready to eliminate the outrageous, \$100,000 pensions for members of Congress, unfunded? Are you

ready to go on record that this is an outrage and should be eliminated?

REP. GINGRICH: I think we should look very much at a transition to something like a 401-K for Congress.

MR. NOVAK: You'll get rid of that fat pension --

REP. GINGRICH: I'm willing to look at trying to find --

MR. NOVAK: What do you mean "look at"? Are you for it or against it?

REP. GINGRICH: I'm telling you as the next speaker of the House I'm ready to look at it. I'm not ready to make the commitment.

MR. RUSSERT: How about those frequent traveler miles members and staff get to keep for private travel?

REP. GINGRICH: I think that's an example of the flagellante -- the medieval tradition of beating on yourself. I think the average American says, "If you guys balance the budget, you sell off a building, you cut the committee staffs," they don't care.

MR. RUSSERT: Mr. Speaker, soon to be, thanks for joining us this morning on "Meet the Press."

REP. GINGRICH: Thank you. Thank you.

END

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04-Dec-1994 08:37pm

TO: (See Below)

FROM: Lawrence J. Sampas
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SUBJECT: NBC's Meet w/Gingrich 12/4

The Federal News Reuter Transcript Service

NBC "MEET THE PRESS"
WITH HOST: TIM RUSSERT
JOINED BY: LISA MYERS AND ROBERT NOVAK
GUEST:
REPRESENTATIVE NEWT GINGRICH (R-GA)
SUNDAY, DECEMBER 4, 1994

PLEASE CREDIT ANY QUOTES OR EXCERPTS FROM THIS NBC
PROGRAM TO "NBC'S MEET THE PRESS."

MR. RUSSERT: Mr. Gingrich, welcome back to "Meet the Press."

REP. GINGRICH: Good to be back.

MR. RUSSERT: Let me show you a bumper sticker your friends
have on the Hill: "Speaker Gingrich. Deal with it."

What does that mean?

REP. GINGRICH: Beats me. It's my friends who have it
up on the Hill. I don't. (Laughter.)

MR. RUSSERT: How are you adjusting too the transition?

REP. GINGRICH: Well, I mean, it's fascinating. It's one of
the most amazing things I've ever been through, and the process
is just -- I mean, first of all, you're just -- we're drowning.
I mean, we have 230 members now, plus dealing with Dick
Gephardt and the Democrats plus dealing with the administration
plus 600,000 Georgians and friends from all over the country who
show up and wander in. I mean, it's -- it truly is an
extraordinary outpouring of emotion and excitement, and then

we're just learning a lot. You know, I don't think I've ever been through a period of learning as much every day just to get through the day as the last three weeks.

MR. RUSSERT: A big job ahead for you, and the contract that you promised with the American people. A couple of weeks ago in an interview, you said that over the next seven years, you're going to have to cut spending a half-trillion dollars, or \$500 billion --

REP. GINGRICH: Mmm-hmm. (Acknowledgement.)

MR. RUSSERT: -- and you want to have a dialogue with the American people --

REP. GINGRICH: Yes.

MR. RUSSERT: -- about the size of the government. ^{the} ^{Two} ^{even}
If you're really going to bring the budget into balance and not cut Social Security and not cut defense, where are you going to find \$500 billion in the budget?

REP. GINGRICH: Well, I think that's a good question, and I brought a few charts. (Laughter.) You may remember this -- I remember 6:00 a.m. in Las Vegas. I figured I'd get even. (Laughter.)

First of all, I want to make a point. This is a Haley Barbour chart -- and I hope I'm holding it right for the camera -- that if you simply restrain the rate of spending, that you don't have -- you never cut aggregate spending, you just don't grow as fast, and it's a very important thing to realize. We're never, ever talking about cutting spending. We're talking about a slower rate of growth.

This is the current projection. This yellow line is the current, and this is the Clinton administration's projected increase even if you don't get any more economic growth over seven years than they project.

So, first of all, we're talking about less growth. We're never talking about cutting. Second, Pete Wilson pointed out to me -- in encouraging me to stick with this -- that this was the size of the California government this year as projected when he became governor. Because of the cuts, this is the size of the actual government. It is \$18 billion smaller than the projection.

And he said, "Look, yes, it's tough. Yes, you have to fight. Yes, people have many different views, but if you're determined to do it, you can make an extraordinary difference."

Now, Bill Weld, who cut 14 percent in the first three

months -- I mean, just went in and said, "This is a crisis. We're changing." He took one example when we were in Williamsburg with the governors. He said when he took over the very first year, general welfare was \$200 million a year. It is now \$100 million a year.

So the first thing they did -- this is in Massachusetts -- is they had always been medically related. General welfare in Massachusetts was a program that said, "If you have a medical problem, we're not going to let you, you know, be financially destroyed." The first thing they said is, "You have to go to a doctor before we approve you." The following month, 25 percent of the people dropped off the program, because they knew if they went to see a doctor, they wouldn't be approved. They didn't even try. That doesn't count the ones the doctor turned down. Twenty-five percent of the people getting money didn't even show up again.

So Weld's point is not only did he cut 14 percent of the budget in the first 90 days, but you can have good, legitimate public policy reforms and save real money. He said -- he and Wilson and the other governors, Engler and Thompson and others, all said, "You send welfare back home and we will manage it, you'll have 50 ongoing experiments to get people off welfare and into work, and it will be dramatically less expensive."

Last example. Because again, I think -- this is what I mean by a dialogue. Here is the Clinton administration projection on Medicare. It is an enormous explosion of costs. Here is, if we accept additional senior citizens, because people age, but kept the per capita amount being spent, here is where we'd be.

Now, surely, somewhere between spending the same number of dollars -- not a penny of cuts -- and the current grotesque projection, if the doctors, the hospitals, AARP, senior citizens in general, if we were to work together, surely somewhere in between here there's a very good Medicare system that's less expensive.

And, finally, the toy that you'd asked me to bring on. This is a good example. This is a CPR heart pump. When you push down in CPR, the chest has to reflate. If you allow it to reflate purely by normal process, it's very slow. Because this is basically a plumber's plunge, you push down, and you pull up, and the result is you're pulling the chest back up.

I don't want to tear the table up, so I'm just going to slide it off.

But there's something I don't think many people understand. This was invented in Denmark. This increases by 54 percent the number of people who have CPR who get to the hospital and have a

chance to recover. It is illegal in the United States, because you can't get a test on a person who has a heart attack, because they're unconscious, so you can't get informed consent. So the FDA, the Food and Drug Administration, makes illegal a product used in 11 countries that minimizes brain damage, increases the speed of recovery, saves money -- this costs \$200.

So, you know, if we use -- this is what I mean by dialogue. If we use common sense, we go to the veterans and say, "Please help us look at veterans' health care," we go to the agriculture people and say, "Please help us look at rural America." I believe, yes, there are tough choices, but I believe the country wants to get to a balanced budget, and I think they're prepared to make a lot of changes.

MR. RUSSERT: Let's just keep the dialogue going and just go through this chart here, because this is what Bill Clinton and his folks have projected the budget would look like in 2002, and this is the growth in the programs. If we don't go near Social Security, let that grow --

REP. GINGRICH: Sure, if you take that off. Take that off.

MR. RUSSERT: And would you take defense off, pretty much?

REP. GINGRICH: I would -- somewhere in the 290 billion (dollars) is about right.

MR. RUSSERT: Okay. Which would mean that in order to balance the budget, a deficit of 319 (billion dollars), domestic spending and Medicaid, Medicare, veterans' benefits all are basically --

REP. GINGRICH: And, by the way, interest on the public debt, for this reason: If you start this year cutting spending, you have lower interest --

MR. RUSSERT: Interest on the public debt.

REP. GINGRICH: So you can probably lower that by \$30 billion right there as a starting point.

MR. RUSSERT: Okay.

REP. GINGRICH: That leaves you 280 billion (dollars).

MR. RUSSERT: But the American people shouldn't -- and that's before any tax cuts, and if you had tax cuts, it would even be higher. So the American people should know --

REP. GINGRICH: Well, unless you get economic growth, which is a fight we can have later on --

MR. RUSSERT: Within the Republican Party, as well.

REP. GINGRICH: Yes.

MR. RUSSERT: But the American people should know that if we're going to truly have a balanced budget, then all domestic spending -- education, immigration, environment, Medicare, Medicaid, veterans' benefits, farm subsidies -- are going to have to be reduced anywhere from 20 to 30 percent.

REP. GINGRICH: I think what you can say to the American people is if you truly want to get to a balanced budget, then you've got to take, out of a trillion, \$200 billion (\$1.2 trillion) in projected spending that's on the table -- that's after you've taken Social Security off the table -- that out of that trillion, \$200 billion, you're going to have to find about 20 percent that you either do a lot better or you do differently or you don't do.

And when I found when we talked to the American people, and the governors were very adamant about this, you know, every governor who won by decisive re-election had cut spending. I mean, Weld cut spending 14 percent, the people in Massachusetts said, "That's right." He won with 71 percent of the vote.

Engler cut spending. The UAW workers were thanking him at the auto plants, because their property tax had come down. He won with 60 percent, which for a conservative in Michigan hasn't happened since the 1920s.

And every governor said to us in Williamsburg, "Send power back home, send responsibility back home. Give us a chance to take over these things." Bill Bennett has said flatly -- he's been secretary of Education -- return it to being an office of education. Get the money back home. Get it in the classrooms. Quit paying Washington bureaucrats to issue reports on why kids don't read.

MR. RUSSERT: Will you try to abolish the Department of Education?

REP. GINGRICH: I think -- I'm not going today name any specific things, except to say to you that we're going to look at everything except Social Security -- and including, by the way, defense. I mean, I think we can overhaul the Defense Department and get dramatically better procurement per dollar. I mean, I don't think we have any -- and I think we can also shrink the middle-level bureaucracy of the Defense Department by maybe as much as 40 percent.

MR. RUSSERT: When will there be a vote for a constitutional amendment to balance the budget?

REP. GINGRICH: I hope by January 19.

MR. RUSSERT: And will you provide a detailed plan to say when that balanced budget takes effect, this is what the government will look at?

REP. GINGRICH: No, I think by the 19th of January, I think we'll have provided an overview of the direction we're going to go in, and we'll say to people -- although I think I've been pretty clear about it now -- if you think that government can't be changed and that government can't be shrunk and that government can't be reformed, you ought to vote against the balanced budget amendment.

If you think that all these years of deficit are enough and you're prepared for your children and grandchildren to shrink the size of the federal government, you ought to vote for a balanced budget amendment.

Now, we have seven years to finish the job. We're going to start every day -- I'll give you one just minor example. I know this is a drop in the bucket, but it's symbolically important.

One of our goals is to shrink the congressional staffs enough to sell one of the two House annexes. Now, I think the act of selling a government -- a congressional office building sends the right kind of signal. We're talking about a smaller government, we're talking about less staff, we're talking about less money in Washington, less power in Washington, and it's going to take that kind of decision every day for the next four or five years to get to a balanced budget.

MR. RUSSERT: And the American people should know in order to have a balanced budget that non-Social Security spending is going to have to be reduced -- or will be 20 percent --

REP. GINGRICH: The federal government will be 20 percent less in -- take off Social Security, which actually means, when you take the total number of dollars, the total federal spending will be about seven or eight percent less, by the time you take the way you've divided the budget pie. It'll be seven or eight percent less overall at the end of the cycle, and that means you have to make real choices and you have to think through real changes.

MR. RUSSERT: One of the issues that -- in California state, you mentioned, is immigration. There is going to be an attempt by some legislators to have Prop 187, a law which would deny public education to the children of illegal immigrants. Would you support such legislation nationally?

REP. GINGRICH: I don't support Prop 187 nationally. I've said if I were a Californian, I probably would have voted for it out of frustration, but that I think