

House Calendar No. 1

105TH CONGRESS } <i>1st Session</i>	HOUSE OF REPRESENTATIVES	{ REPORT 105-1
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IN THE MATTER OF REPRESENTATIVE NEWT GINGRICH--
pages 1201 to 1271

Interviewer: So it is truly a presentation.

Gingrich: It really is. Yeah, in fact we dropped the term lecture. It's a presentation rather than a lecture.

Interviewer: And, do you have any more names to give me?

Gingrich: Well they're sort of randomized right now.

Interviewer: Well how long will the inserts be?

Gingrich: I think pretty short. Generally between 40 seconds and four minutes.

Interviewer: 40 seconds?

Gingrich: To 4 minutes. You watch the evening news. The average sound bite in 1988 in presidential campaign was nine seconds. If you can get 40 seconds done right that's a lot on television.

Interviewer: And how is GOPAC involved in this?

Gingrich: It's not involved in this at all.

Interviewer: Are you going to bring a lot of your ideas to GOPAC though?

Gingrich: Absolutely. Every single one of them.

Interviewer: Is GOPAC going to be. Are they going to set up a downlink satellite?

Gingrich: I don't know. I guess they legally could. Frankly, the Democratic National Committee could. We'd be very happy if they wanted to. I sent a copy of my basic speech over to the President today and I talked to him briefly about the course yesterday.

Interviewer: What did he have to say?

Gingrich: He's interested. We were talking about how much the World is changing. How to use the changes. I have a call into Pat Moynihan. We've been swapping calls for a week because I want Moynihan, I'm really going to try to talk Moynihan into being on the course. He's the guy

who first pointed out that the Welfare system was destroying the family and I'm going to beg him to do a couple of minutes on tape for us. And I'm also going to beg him to do one of our critics. He is one of the smartest guys in America and the fact that he's a Democrat doesn't matter to me. He's a guy who really tried to think and just not be bound by the liberal ideology. So my position is if the Democratic Leadership Council wants a set of the tapes, we'll sell them to them at the same price as anybody else. If they want to doubt me they can _____ that the goal here is about America -- this is not renewing Republican civilization -- This is renewing American civilization and any American of any background is interested in renewing it. We want to have engaged(?)

Interviewer: Why did you choose Kennesaw for your site?

Gingrich: Ah, to be very honest, I'm very impressed with Betty Siegal (sp?) and Tim Mescon. I've known Tim's Dad for years and they are just a fabulously entrepreneurial, creative family. Andy Betty and I talked on several occasions. I have ties with Kennesaw people going all the way back to 1974 when I participated in a planning program for the faculty of Kennesaw on expanding the college. I was brought in along with a guy named Darryl Connor(sp?). We went to Rocky Bufford (sp?) 2 and 1/2 days of faculty on a retreat so I've had a long personal affectionate relationship with the college. I wanted to do it here at home. I wanted it to be a Georgia based, Georgia originated program and candidly I wanted to do it at a public school. And, I thought either Kennesaw or Southern Tech would have been wonderful places. But it just seemed to me given the tremendous growth of Kennesaw and the fact that it's really a little more of a liberal arts rather than a science and technology orientation. I love the people at Southern Tech and I don't want to put anything in that would in any way imply that they're not fabulous people because they're great. I work with them on their quality program but it just seemed to me

that it just somehow fit with Tim and Betty were trying to do and the minute I talked to Tim about it he just was extraordinarily helpful and has been very positive all through it. He has been a great host and a great sponsor and so I just. It's really grown. The guys at Emory told me that they were sort of upset that they didn't think of calling me first and I'm an Emory graduate so there is a certain affection there and I had dinner one night with the President of Georgia Tech which is a great national institution and we talked about it a little bit but I just felt better about keeping it here at home and having it at a state college, open to everyone with a population of working students who really represent I think the core of what it is going to take to renew American civilization.

interviewer: Those are all my thoughts.

Gingrich: O.K.

interviewer: Do you have any more comments?

Gingrich: You tell me for a second, what is your reaction to all this?

interviewer: Well I'm glad you picked Kennesaw and I hope it helps Kennesaw grow and I would be interested to see what you come up with.

Gingrich: So will we. We are excited by the _____ ourselves.

interviewer: But also, I have to admire you for putting all this work in. Goodness, you guys are going to be exhausted by the end.

[laughter]

Gingrich: We will. We're measuring it. We are pacing ourselves. But it is really --If you want sometime look at my schedule. I think literally we schedule ninety hours a week

Interviewer: I'm a little upset that Kennesaw has not become a university.

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Gingrich: I think that will happen.

Interview: My boss says we are so close to it now. That we'll probably be a university by now. That it's around all these other schools.

Gingrich: What has to happen is DeCalb and Cherokee and the larger delegations have to decide that as a collective group that that is one of their major goals. Don't quote me.

[Inaudible here]

New Voice:

In the Continuing Education Department, Clif Roberts -- His first name is one F -- and Sharon Jones Baron have been great. Sharon is the head of their Marketing Division in the Continuing Education Department and she's doing an ad that's going to be in National Review so their using it for their national advertising.

Interviewer: okay.

Voice: and then, I don't know if you have the names of the others that I mentioned. Dr. Jeffries

Interviewer: yeah, I've got those.

Voice: and Dr. Goldman, Dr. Roberts. I think I talked to you about both of them too.

Interviewer: Do you have a list of the names you've definitely got confirmed involved in the program. I didn't want to bother him with that. But my editor is, like, hammering at me. Get a confirmation on Thomas.

Voice: He says Clarence Thomas is confirmed, Jack Kemp is confirmed, I can get a list from him. But what I will do is -- today, we are meeting today again and I'll tell him I need a list of people who are definitely confirmed as being involved. Because obviously we don't want to mention people who really aren't. I think most people that have expressed will end up being

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involved, but until they say for definite and for sure I don't want you to put it in your story because.....

Interviewer: That's what I want to be sure of too. I worship accuracy, I must tell you.

Voice: Good, you'll be a nice addition to the newspaper staff.

Interviewer: I hope so. There's a couple of other questions I have. I have written down over here. I'm a list writer. It's the only way I keep sane.

Voice: Oh, I know, Me too. Otherwise you try to keep everything in your head and it drives you crazy.

Interviewer: It does, I truly believe that it does. That's why we have so much _____ in the world. OK. The continuing education thing – we got that. The budget thing.

I have written down over here.

Voice: Okay, you know who I would have you talk to about that is Jeff. Jeff has a better -- he's more the head of planning the budget and everything. Let me see if I can get him back. Is there something else you wanted to ask me about.

Interviewer: I think that's ... Budgets. Fun talk.

Voice - Jeff?

Interviewer: About how much is this costing total.

Voice: About \$290,000.

Interviewer: \$90,000?

Voice: \$290,000.

Interviewer: Now. How much is it costing Kennesaw State College?

Voice: Whatever the cost of the classroom is - that's it. I have no idea. Basically providing the lecture hall.

Interviewer: And what about the Kennesaw Foundation?

Voice: That's the \$290,000.

Interviewer: That's all.

Voice: Yes.

Interviewer: O.K. that pays for all of it. And they're getting it from ...

Voice: Foundations. General places - the Kennesaw State College Foundation is a 501(c)(3) research and educational institution and they can take contributions from individuals from foundations and corporations. So far we've had contributions from both ... let's see... we've had individual contributions -- we've had contributions from foundations and corporations and I expect it to be through corporations and foundations that make those kinds of contributions happen.

Interviewer: Will the money from the first three classes go back into the American Renewing - the class?

Voice: The money from the first three classes.

Interviewer: From all, the videotapes?

Voice: The audiotapes. The videotapes, video - all of that will - if any money is made on any of those things which is an open question it will go back into the Kennesaw State College Foundation. And the \$290,000 does not include the audiotapes, it doesn't include the videotapes. what we've done is price those to try and basically cover the cost of providing _____ so the satellite is free, the videotapes are \$119.95 for ten two hour video tapes, the audiotapes are \$69.95 for the two audio tapes and those are mailed priority mail the week after each class. It also includes frankly more mail costs than there is tape costs in there and one of the problems is there is a big difference, for example, between somebody who calls the 800 number which costs

money, uses a MasterCard which costs money because there is a master card fee as opposed to somebody who sends in a check and they pay for the stamp and they pay for ... there's no MasterCard fee. So you have to throw a dart at it. Dartboard and say how many do each of those things then make a guess about how much you have to charge them in terms of money. My guess is it has to about break even because if we were to sell a large number of them and lose money on each one we would have a problem so we price them so at worst it should break even and at most it may generate some money for the foundation.

Interviewer: And what is your I guess you say maximum expectation?

Voice: I don't know maximum. We're working off assumptions of about 50,000 students around the country altogether about 500 organized sites around the country altogether for this fall but at this point it is very conjectural, the 800 number just got up and running yesterday and we've just gotten our little flyers printed and so forth so I think those are good guesses but there is no way to know with certainty. At this point they are still discussing it.

Interviewer: And, how many downlink sites did you say?

Voice: 500 would be my guess, would be my guess.

Interviewer: That's your expected on what you have now.

Voice: No that will be my guess of what we will have for this fall class and then hopefully that will build over the next three years.

Interviewer: All right, I think those are all my questions.

Voice: Okay.

Interviewer: It's a lot to absorb ... do you have anything else to add?

Voice: I don't think so. I think it is a neat project. I'm very excited to be a part of it.

Interviewer: Nancy told me you were also helping with the course.

Voice: Yes. Yes.

Interviewer: What is your role in that?

Voice: For the last about 4 and ½ years I've been one of three or four people around Newt, who serve as kind of intellectual advisor and planner if you will and so we are very ... I'm an economist by training, he's an historian so we come at it from different backgrounds but we have very similar kind of views of the world and so we are good complements to one another -- I'm a good complement to him -- so I'm working with him in designing the syllabus, designing classes, the message and so forth. Newt is unique in the sense that no one writes for him. In the four and ½ years of working for him I don't think -- I've never written a speech for him in the sense that a speechwriter writes a speech for a politician. But it is much more than a nature of an informal conversation where there is a lot of give and take and hopefully what comes out in the end is better than what we started with.

Interviewer: So you're just advising readings and things like that and he's doing this the word planning on how things are going to be phrased?

Voice: It is a deeply personal - teaching a class - I've taught myself before and it is a deeply personal exercise. You can't get up there and spout somebody else's beliefs. You have to know what your saying and understand why your saying it because you're the person who is going to be answering the question to the students who hold up their hand and says why do you think that that point has anything to do with this and you say that so and so -- you say such and such a book and such a such a quotation to make this point but doesn't it really mean thus and so--well you better know [laughs] the answer to that questions or your in trouble. So even much more so than any kind of a political environment you can't -- no one can design a class for somebody

else. And so this will be very much a personal product of Newt's background, Newt's thinking and what Newt believes. But in order to kind of bring out what it is you believe, what it is you know, it is useful to have people to talk to.

Interviewer: And you're one of his advisors then?

Voice: Yes.

Interviewer: How do you think it is going to help him. - - politically like, the last race you must have done some really good advising because he won?

Voice: Actually I was not - I was not much - I was not involved in the Congressional race at all. I don't know that there's a narrow political benefit to it. I think the benefit to him personally is the benefit of understanding much better what direction he believes the country needs to go in and therefore being able to explain that much better in the political environment and hopefully being a better representative of the Sixth District and his larger role as a leader in the House. In terms of a narrow political benefit it is a pretty academic project. I mean the people who will be involved, there is no sort of natural, immediate like boy this is going to help people to vote for him or get people to - I will say one thing that I think - Newt is -- most people when you tell them Newt has a Ph.D. in History and taught History for eight years before coming to Congress raise their eyebrows and say "Gosh I didn't know that." People don't understand that there is a big part of it which is a History professor and an intellectual who thinks about things and to the extent that people come to have a more rounded and complete view of who he is as a person, I think that can't hurt. Ultimately when you're running for election you're running on the basis of who you are as well as what you are and what you believe and what your going to do and the more people can understand the wholeness of who you are as a person and at a minimum the better the chance they have voting the right way in the sense that more information is better and

in Newt's case Newt's a pretty good person and this will be a way for people to understand more about why he is a good person but again I think it's all so vague that there's ... it comes back to what is the political benefit in the narrow sense in which people say what is the political benefit, I'm not sure there is one.

Interviewer: Now what is your background? You say you're an economist?

Voice: I've spent actually 15 years in Washington DC. I'm from Ohio. I have a Ph.D. in Economics from Univ. Of Virginia. And, I've worked in the White House in the Office of Management and Budget and taught economics at the Univ. Of Virginia and George Mason University and I've spent the last four years working with Newt on ideas and language and general big picture planning.

Interviewer: So you're his big picture planning advisor?

Voice: Yes.

Interviewer: I can understand better now.

Exhibit A2

EXHIBIT 143

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ORGANIZATION
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REPUBLICAN
LEADERS FOR
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FUTURE

440 FIRST STREET
NORTHWEST
SUITE 400
WASHINGTON, D.C.
20001
TELEPHONE
(202) 484-2282

GERALD R. FORD
HONORARY CHAIRMAN
NEWT GINGRICH
GENERAL CHAIRMAN
HOWARD H. CALLAWAY
CHAIRMAN

KOHLER 285

Offices of Congressman Newt Gingrich

GOPAC 202/484-2282
FAX: 202/783-3306

Bo Callaway	Chairman
Kay Riddle	Executive Director
June Weiss	Finance Director
Stacey Oswalt	Director, GOPAC Leadership Council
Sonja Angeline	Deputy Finance Director
Laura Stotz	Deputy Communications Director
Tom Morgan	Political Director
Mark Colucci	Deputy Political Director
Tony Moonis	Systems Analyst
Liz Nettles	Accountant
Judy McKnight	Receptionist
George Shaner	Mail Room Operator

F.O.N.G.: 404/968-1417
FAX: 404/968-1629

Barbara Campese Fundraiser/Office Manager

American Campaign Academy 202/524-6111
FAX: 202/527-6957

Rich Galen Chief Press Secretary

Authorized and paid for by GOPAC

Exhibit 143

BY PETER APPELBOME

pires to devote a third of the budget of the American People's Party, and then said, "In that context, I am going to devote much of the next four years, starting this fall, to teaching a course entitled 'Resolving American Civilizational Problems.' The American Civilizational Initiative."

The director of Georgia and sent out his political action committee, GOPAC, went on to say: "Let me be clear. This is not about politics as such. But I believe the ground we will cover is essential for anyone who hopes to be involved in the public life of this country to understand."

The distinction may be a fine one, but such fine distinctions are as the heart of a complaint before the House Ethics Committee and other questions involving the course. Mr. Gingrich now teaches such a course at the RAND Corp. in Arlington, Va. The course is also received via cable around the nation.

Members of the Ethics Committee said last week that they were close to agreeing on a procedure for investigating the accusations about the course, as well as a book contract Mr. Gingrich has with a publishing house owned by Rupert Murdoch. The committee is to meet again on Wednesday.

Ben Jones, Mr. Gingrich's Democratic opponent last fall, who filed the complaint with the Ethics Committee, questioned Mr. Gingrich's use of its House ethics office. Mr. Gingrich said he would ask the ethics office contributors to act up on the committee. He also criticized the use of political allies to staff the course. Mr. Gingrich's history of using the course to laud political contributors and his own book is creating a problem.

The details of the way the course was conceived and hundreds of thousands of tax-exempt dollars aimed to bring it to a nationwide audience also provide a powerful illustration of the innovative methods Mr. Gingrich, now the Speaker of the House, has used to build the fund-raising empire often referred to as Newt Inc.

... More broadly, the debate touches the question of whether Mr. Gingrich is the crusader for ethics he has cast himself as, or someone who bends the rules to pursue his own agenda.

Many tax and campaign finance experts say the way the course is financed comes perilously close to the line of what is not permissible for a tax-exempt organization, although few flatly say it crosses that line.

"When," he said, when asked after class the recent Saturday if the course nears the edge of what the law allows. "Goes right up to the edge. What's the beef? Doesn't go over the edge, doesn't break any law, isn't wrong. It's aggressive, it's entrepreneurial, it's risk-taking."

Mr. Gingrich, a former college professor, says the 20-hour course is a serious academic undertaking and is taught in conjunction with a full-time faculty member at the dozen or so colleges where it is offered for credit via television. The course is also televised via satellite to at least 26 million cable subscribers on the Mind Extension University and 10 million on the National Encouragement Network.

A broad soup of anti-government conservatism, traditional values, management theory and "third-wave" futurism, the course is an interdisciplinary evocation of Mr. Gingrich's ideas on how to reject American education and end "the welfare state."

...ing."

"It's not narrowly partisan. It's not narrowly electoral, but it is broadly political in the best sense of a free society," Mr. Gingrich said in an interview. "The current political process is so sick that attempting to talk in a serious way for 20 hours with an

Mr. Gingrich, who has a Ph.D. in history, is not the only member of Congress to teach a class while in office. But televising the course nationwide is unique, and critics say everything about the class has more to do with politics than education.

"This is like all the other Gingrich campaigns," said David Worley, an Atlanta lawyer who as the Democratic candidate narrowly missed unseating Mr. Gingrich in 1990. "He gets a small group of wealthy political supporters to underwrite whatever project he has at the time, and his desire is always to amass as much power and

But even some critics of Mr. Gingrich say that rather than an aberration, the course is just one example of the myriad ways money finds its way into politics — and of how little effort Democrats or Republicans have devoted to changing the rules that benefit

"There is a growing trend of political foundations out there that are in essence a tax-exempt pocket where political contributors can support a candidate and at the same time get a tax write-off from it," said Josh Goldstein of the Center for Responsive Politics, a Washington research organization. "It's not just Gingrich, but I think he's moving into unexplored territory. He's leading the way."

With Big Money, An Idea Blossoms

In 1991, Timothy Mescon, dean of the business school at Kennesaw State College, in Mr. Gingrich's suburban Atlanta district, invited Mr. Gingrich to deliver a lecture. Mr. Gingrich was not available to do so, but the two kept in touch and in March 1993 began discussions about a course Mr. Gingrich could teach at the school and televise around the country.

Mr. Gingrich tapped into some well-worn channels. Much of the staff and leadership was made up of former GOPAC employees and longtime Gingrich associates, and most of the money came from people who had contributed to GOPAC or Mr. Gingrich's campaigns.

For example, one GOPAC staff member, Jana Rogers, became "site host coordinator" for the course, working with Republican groups, Christian Coalition chapters and what she called the "GOPAC farm team" to secure satellite sites showing the course. When the work was done, she went back to working full time for GOPAC.

The course was coordinated by the recently formed Progress and Freedom Foundation, led by Mr. Eisenach. In the foundation's first year, more than half of its \$1.2 million budget went to pay for the course, its

A 426-page stack of documentation on the course forwarded to the Ethics Committee. It is full of letters, faxes and phone records from GOPAC, where Mr. Eisenach had his office in the course's early days; from Mr. Gingrich's House office; from Mr. Eisenach and from GOPAC employees who were transferred to work on the course.

Educators Divided on Course by Gingrich

ATLANTA, Feb. 19 — David King teaches in what Newt Gingrich might consider the heart of the Evil Empire of liberal academics, the John F. Kennedy School of Government at Harvard.

But after viewing videotapes of "Republican Revolution" speeches by Gingrich, Mr. King's course may not be to everyone's liking but is clearly more than a partisan screed.

"The course is not polished. It is repetitive. It's not muddled and it's not partisan," Professor King said. "It touts conservative ideas, but those ideas are never explicitly linked to the Republican Party."

Other academics, including 40 faculty members at Kennesaw State College who signed a petition calling the course a political vehicle, disagree. But, as with everything else about the course, its academic validity is subject to debate — and criticism. "The course is a very good example of Mr. Gingrich's lack of interest in the pristine example of disinterested scholarship Mr. Gingrich projects."

The most detailed analysis of the course is a largely admiring review in the

January-February issue of *Lingua Franca*, which usually examines intellectual and university issues from the left.

"Professor Gingrich's reading of American history is overtly partisan and sometimes bizarre," writes David Samuelson, a professor of history at Princeton. "What historians might find surprising is that it is also the product of a first-rate mind. Like his fellow professor turned politician, Daniel Patrick Moynihan, Gingrich has a scholar's range of interest and reference."

It is not so much that he, however, harshly criticized Mr. Gingrich's use of language provided by corporate sponsors and contributors.

Also troubling to some is the degree to which the course presents only one point of view. Before beginning to teach at Kennesaw, Mr. Gingrich said he was "going to allow Democrats, but not liberal ideologues."

"I don't particularly want some guy whose philosophy failed," Mr. Gingrich said.

"That's outrageous," said James A. Thurber, a professor of political science

and director of American University's Center for Congressional and Presidential Studies. "That's indoctrinating people rather than educating them. I would say, bottom line, his course would not pass muster at the top 200 to 400 institutions of higher education in America."

In a letter in *The Marietta Journal* today, Lois Kubal, a graduate student who helped design the course at Kennesaw said she was taken aback when efforts to provide speakers' stipends were dis-

missed by Mr. Gingrich. "If the course was to be academic, it would have to allow for diverse opinion," she wrote. "Therefore, the class at KSC was intended to be partisan and very political."

On the other hand, Professor King at the Kennedy School said he thought Mr. Gingrich might be onto something valuable in taking his wares to the ivory tower. "Maybe Dick Gephardt should do something similar at Washington University in St. Louis next semester," he said.

PETER APPLEBONE

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Eisenach
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CAMPAIGN FOR A SUCCESSFUL AMERICA

November 13, 1990

Exhibit 145

PREFACE

The Democrat party is unable or unwilling to do what is necessary to ensure a successful America. Therefore, the task logically falls to the Republican party.

Despite holding the White House for 19 of the past 24 years, and despite the spectacular vitality Ronald Reagan brought to the party, and his control of the Senate for six years, the Republican party has not been able to impose a dynamic new agenda -- an agenda for a successful America. The key to implementing such an agenda must be the House of Representatives, thus breaking the Democrats 4### year control of that body is critical to the future of America -- hence the goal.

But Republicans cannot win control of the House of Representatives one seat at a time. As often as a candidate emerges to win a tough seat, another loses a seat that was already held. Since 1980, at one time or another, Republicans have been elected in at least 221 out of the 435 districts. In other words, the voters have elected enough Republicans for control, but not in any single year. This fact underscores the one absolute that must always be a constant in any national planning effort to win House seats -- namely that these are elections based on local dynamics, personalities and applications of national issues and themes and, thus must be won as such.

Three times in the past 20 years, there have been major shifts in Congress, although these were much smaller than had been fairly routine in the lower House during earlier decades. On each of these three occasions, a national mood precipitated the shift; once in a positive way that truly impacted people's votes and twice in a negative sense that reduced Republican turnout, resulting in heavy losses, even while the total Democrat vote remained relatively unchanged.

A growing sense within the electorate that a real choice between alternative directions must be made in the leadership of the nation could intensify during fractious 1992 elections. Every effort must be made to take advantage of that opportunity because as noted by Haynes Johnson, a syndicated columnist, "In the future, take no race for granted."

Additionally, any effort must also simultaneously ensure the best possible environment for incumbent Republican Members to retain their seats.

This requires two things. In order to retain current seats and make the gains needed for Republicans to win control of the House, a national environment must be molded by Election Day that makes such a shift possible, which is seen as desirable by the electorate. Secondly, campaigns must be created at the local level which have the capacity to benefit from any such national environment. In short, a new national

Eisenach
2089

pattern for campaigns must be created, from which a series of unique local campaign models, distinctively tailored to specific local issues and realities, must be developed.

This means that past and present campaign models must be dramatically changed with the intent of developing a new national pattern that encourages hybrid local models to grow. The highest quality candidates must be recruited who are fully committed to an agenda that would dramatize the different alternative futures facing this nation, and that Americans be forcefully made aware of the choice they must make.

In summary, it means that it cannot be business as usual, because to do so would inevitably mean an opportunity lost; lost until some future uncertain date. And, as Washington Post columnist Haynes Johnson noted three days after the 1990 elections, the lesson of 1990 is that no seat can ever be taken for granted again.

Following is an initial concept of how a Republican majority might be achieved in the House and thus allow enactment of an Agenda for a Successful America. This outline is intended as a starting point for discussion and thought -- to be improved and refined through ongoing meetings and discussions, finalized and then set into action.

The Eddie Mahe Company, in cooperation with Republican state and national committees as well as other allies, would like to acknowledge those who have made this initial effort possible. Without the confidence, support, commitment and resources

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Eisenach
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of Terry and Mary Kohler and Buddy and Lois Teich this effort could never have gotten underway. Likewise, the vision and path laid out by Congressman Newt Gingrich charted the course for the plan. Bo Callaway, Kay Riddle, Joe Gaylord, Jeff Eisenach and Jim Tilton for providing guidance and invaluable direction in developing much of the framework this document was formulated from and for discussions that took place during the 1990 North Pole Basin retreat hosted by Bo and Beth Callaway.

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I. OVERVIEW

In 1992 a number of circumstances will converge to create an unparalleled period of dislocation and potential turnover in the House of Representatives:

- Redistricting based on the 1990 census which means that no fewer than 21 states will gain or lose a cumulative total of no fewer than 38 seats.
- An additional 11 to 14 states which will neither gain nor lose seats, but which could experience significant boundary changes due to changing population patterns within them.
- The 1983 Civil Rights Act mandates that, whenever possible, districts should be drawn so as to virtually assure the election of a minority, i.e. minority communities can no longer be distributed within several districts if geographically a minority-controlled district can be created. No fewer than 15 states could potentially be impacted by this factor.
- Any member who seeks re-election in 1992 loses the opportunity to convert any unused campaign funds to his or her personal use. Currently,

109 members have sufficient surplus funds to at least be sensitive to this fact or are otherwise rumored to be possible retirees.

The combination of these factors suggests there will be no fewer than 176 districts in 1992 in which either no incumbent will be running, or an incumbent will be running in an area where he or she will have previously represented less than 50% of the residents.

At no time in modern history will there have been so many seats open or relatively open. Thus, in an age when 96 percent or more of incumbents get re-elected, it is unlikely that a similar opportunity will soon present itself.

The challenge which must be met is to have competitive Republican campaigns in each of the "open" districts, plus, at least all marginal Democrat districts, and then create a national environment that will provide the final momentum for victory. This will require that the following major objectives be accomplished:

Develop a prototype agenda that Republicans commit to enact into law during the first 100 days of the 103rd Congress if they control the House of Representatives. This agenda cannot be based on incrementalism, but rather on putting in place the radical changes that are needed to deal with fundamental problems. The agenda must be the basis for governing,

rather than simply a party platform and it must attract candidates, financial support, media attention and votes. The Agenda should appeal to candidates, voters, contributors and Americans on the most basic level and must address their most basic concerns. In short, the Agenda must clearly show how it will keep Americans: safety, personally and collectively, domestic and foreign; working and productive; saving for their personal and collective futures; investing to assume the best jobs; learning in order to be competitive; healthy personally and environmentally; And the totality of the Agenda must be based on personal and governmental honest and integrity.

Specific issues which must be explicitly addressed to meet such a test would include: balancing the budget by cutting federal, not family, spending; providing an effective educational system; addressing the collapse of the infrastructure in America's major cities; winning the war on crime and drugs; improving the cost, availability and quality of health care; initiating true budgetary and tax reform; managing government so that it works; and, radically reforming the military procurement system.

Attract and encourage hundreds of prospective quality candidates so that no matter how the lines are drawn in any state, or when they are drawn,

Exhibit 45

no possible "opportunity district" ends up without a quality candidate who supports that Agenda.

- Provide a new national pattern which will spawn radically different campaign models which grow from the unique characteristics of each district and focus the full energy of the campaign within the district and delay any significant expenditures or traditional organizing efforts until very late in the campaign cycle.
- Create a new training program keyed to these models which focuses considerable attention on local empowerment and communication skills (including sufficient knowledge on which to base that communication).
- Establish a national fundraising mechanism with a very strong district activist component which is designed to appeal to those committed to an alternative agenda which could attract resources of specific congressional districts and candidates.
- Put in place a program that guarantees sufficient dollars will be available to launch a massive advertising campaign keyed to the Agenda and those candidates who support it.

Achieving these objectives must be planned for in the context of the political, issue and governmental environment that will exist at that time. An initial assessment of 1992 is included in Appendix C and may in fact be somewhat more optimistic than is totally warranted at this time.

As noted in the preface, business as usual must be avoided if the potential opportunity that 1992 represents is to be achieved. These objectives as outlined, and the following detail for each of them, is a first step towards assuring that the effort will truly meet the criteria of being business NOT as usual.

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GOAL:

Elect a majority of the House of Representatives
which supports the enactment of a revolutionary
Agenda for a Successful America in the first 100
days of the 103rd Congress.

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Exhibit 145

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Exhibit 145

II. AGENDA FOR A SUCCESSFUL AMERICA

In order to maximize its gains in the 1992 elections, the Republican party must formulate an "Agenda for a Successful America" which reflects basic Republican/conservative principles, presents a powerful political platform that attracts strong voter support and is adopted by many, if not most, Republican candidates and political leaders. The Agenda must pass the test of being worth working for, contributing to, running on and voting for.

The Agenda must be broad enough to act as a de facto platform, specific enough to be quickly translated into implementing legislation, simple enough to be communicated to voters in an easily understood and comprehensive message, and keyed to the local circumstances in each district. As mentioned above, the Agenda must set a national pattern from which local models, uniquely tailored to specific districts, will grow and succeed.

The Agenda must represent a clear break with "politics as usual", and therefore offer voters a real choice in the 1992 elections. Also, by definition, an Agenda for a Successful America must address personal and collective safety, keeping Americans working, encouraging Americans and America to save and invest, creating a radically

improved educational system and environment, ensuring personal and national health, and a climate of honesty and integrity in government.

The Agenda must be both substantive and a political product, and must therefore meet two separate (but parallel) sets of criteria. Substantively, the Agenda must meet at least six criteria:

Guiding Principles: It must be founded on conservative principles of basic American values, entrepreneurial free enterprise, technological progress, optimism about the future, honest self-government, the primacy of the individual over the state and the need for a strong national defense.

Breadth: It must be comprehensive enough to address the most significant challenges facing the country, possibly including issues that may not be high on the current list of priorities.

Specificity: It must be specific enough to be translated quickly into legislation.

Boldness: It must be bold enough that, if enacted, it produces noticeable (even dramatic) change for the better within a reasonable period (1-3 years) and

Exhibit 145

address issues that have been traditionally ignored by the Republicans e.g. the environment and child care.

Consensus/Support: It must be based on and supported by solid analysis, capable of withstanding scrutiny by and gaining the support of "experts" on the issue-areas it addresses.

Local Application: It must enhance the local focus of the campaign, correlate directly to local concerns and augment the local empowerment aspect of the national pattern.

Politically, the Agenda must also meet seven criteria, which are parallel to but clearly distinct from the six substantive criteria:

Basic Message: Its overall message must attract (or, at a minimum not repel) core GOP constituencies and, equally important, bring significant numbers of new (probably young) voters into the GOP camp.

Breadth: It must be broad enough to serve as a de facto party platform, not a set of individual proposals to be accepted or rejected piecemeal (even though some of the Agenda's supporters may not endorse every specific proposal).

Specificity: It must be specific enough to be seen as a real, substantive program, not just more rhetoric from the politicians.

Boldness: It must be bold enough to be perceived as a dramatic departure from the status quo and to offer real hope for significant, rapid improvement in the lives of individual voters.

Consensus: It must be backed up with solid political analysis and fully vested among key political leaders to ensure that it garners their support.

Support: The Agenda must be "real" so it can be translated and applied as principles to those local issues which are the linchpins of success in a Congressional race.

Local Application: The consensus of support sought for the Agenda will be found at the local level and across the country -- not in Washington. Both the general framework and the specific elements of the agenda must reflect this local nature.

These parallel sets of criteria can be translated directly into a set of principles for the Agenda's design process:

Guiding Principles/Message: Immediate control over the process must rest firmly in the hands of an individual or small group that is sensitive to both political and substantive/ideological objectives the Agenda must achieve.

Breadth: The process must involve political and policy generalists, capable not simply of "seeing the forest" but, indeed, growing it.

Specificity: The process must also involve political and policy issue-specific experts, capable of growing the individual trees that will make up the forest.

Boldness: The process must ultimately be controlled by a "lean" and "decisive" decision making body willing to risk consensus for the sake of boldness.

Consensus/Support: The process must reach out broadly to the policy and political community leadership, as early as possible, both for real help in producing the product and to create a sense of "ownership" over the product. The resulting Agenda must then be applied to the test of local issues.

Local Application: The process must be driven by the need to attract majority support, recruit candidates, and design and win campaigns at the local level. The Agenda will play a major role in refocusing the traditional model from one of central command to local empowerment.

The Agenda for a Successful America will act as a magnet for support rather than a wedge, and those candidates attracted to run under it should be offered some meaningful symbol to present voters -- a "Good Housekeeping Seal of Approval" of sorts. The seal would be something that candidates take for themselves and the potential power and potency of the Agenda could well make the seal itself a valuable campaign tool.

By its very nature, the creation of this agenda will be an on going dynamic process but the basic outline must be quickly arrived at as it will provide the foundation for much of this effort.

The Agenda must then be communicated to the voters in the critical decision making periods through a paid and earned media campaign thus providing individual campaigns a positive offsetting environment to the probable Democrat attacks on "the Party of the Rich."

Exhibit 145

III. LOCAL EMPOWERMENT

Throughout the last several election cycles, while the Republican party was advocating local control at the governmental level, it was transferring all power to Washington at the political level.

This approach did not address the concerns of local constituencies, thus resulting in losses and not victories.

The intent of this effort is to create a national pattern which candidates can utilize and interpret to create unique, locally-driven campaigns in each district all under the banner of an Agenda for a Successful America. That interpretation will focus on identifying, understanding and meeting the needs and attitudes of the specific district by applying the national pattern to its unique circumstances. The result will be a series of new campaign "models." In order to encourage that to happen, serious effort must be given to "empowering" local campaigns. Steps that must be taken to create the conditions where local empowerment can be generated would include:

Creating new campaign models that reflect the fact that they are not national campaigns;

- Providing candidate training on how to identify and solicit resources at the local level;
- Creating a resource base that can serve as a first step in identifying for candidates resources and assistance from allies and party organizations;
- Providing national background information regarding any local issue which has national ramifications in order that local translation and application can be accomplished;
- Establishing a mechanism to provide maximum training and other support within the district (rather than in D.C.) to candidates, staff, and volunteers to enable them to adapt the national models to their own campaigns;
- Where a Democrat incumbent is involved, providing raw voting data to the campaign with directions on how to analyze, and interpret the data;
- Identifying and providing professional expertise to assist campaigns and candidates; and,

Using campaign timelines and objectives to evaluate progress and not generic national benchmark measurements.

Once a national pattern for winning campaigns and an Agenda for a Successful America have been developed, all aspects of this project would be oriented to encouraging the spawning of locally derived campaign models maximizing local empowerment, from the recruitment effort to identifying potential national resources for the campaigns to access at the local level.

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IV. RECRUITMENT

There are many compelling reasons why the recruitment process for the 1992 elections must be approached in a radically different manner than has been done in the past, including:

- o 100 plus open seats create unprecedented opportunity;
- o The lines in dozens of other districts will be somewhat to substantially changed; and,
- o The species known as the entrenched incumbent may, in fact, be vulnerable in 1992 to a candidate committed to the Agenda for a Successful America.

Recent years have seen both fewer candidates and fewer candidates of substance put themselves forward for Congressional races.

This cycle must be broken by reaching out beyond those for who have shown an interest in being a candidate for congress. Dozens of individuals who have not previously considered such an option must be attracted by the idea that a commitment

A. LEGAL STRUCTURE

LEVELS OF PERMISSIBLE ACTIVITY

VARIOUS ORGANIZATIONS

The ultimate objective is to get a majority of the U.S. House of Representatives to subscribe to the Agenda for a Successful America. It is proposed to do this by creating the Agenda, recruiting candidates who support it, training them in campaign techniques, and creating an atmosphere of general support for the Agenda in order to give these candidates a generally recognized and accepted platform on which to run.

Candidate-related activities will be undertaken for the express purpose of influencing their elections. Educational activities will be undertaken for the purpose of persuading American society, and particularly the American electorate, that the Agenda represents America's best hopes and dreams for the future.

There are several ways to achieve this, but only one type of organization may engage in all of them: a federal political committee.¹ Other entities may do some parts of the program, but not all. These include tax exempt organizations like social welfare organizations, usually called "(c)(4)s" because they are nonprofit corporations which are tax exempt under Section 501 (c)(4) of the Internal Revenue Code.

¹ 2 U.S.C. Section 431 (4)

In addition, some educational organizations, tax exempt under Section 501(c)(3) of the Internal Revenue Code, have engaged in activities which affect the outcome of elections, though that is theoretically not supposed to occur.

Following is a discussion of generally what each may do. Party organizations at the national and state levels (technically "political committees" with certain enhanced spending rights) are also important components.

Political Committee

For the Campaign for a Successful America, the only entity which can absolutely engage in all the activities is a free-standing political committee. It has one significant advantage - it may do everything it can afford to do. The disadvantage of this entity is "what it can afford to do," i.e., its ability to raise and spend money is limited by the Federal Election Campaign Act.² No single contributor may give it more than \$5,000 per year, and it, in turn, may give only \$5,000 per election (generally, \$10,000 per cycle) to any candidate.

² 2 U.S.C. Section 441a(a)(1)(C), 441a(a)(2)(C), 441a(a)(2)(A)

Political committees have the advantages of being effectively tax exempt (though its income can be taxed under certain circumstances) and no formal requirements for its establishment or operations. Its contributors' and vendors' names will be made public.

501 (c)(4)

A (c)(4) is organized and operated for the public welfare, which includes educating the general public, or specific portions of it, as proposed above. In this context, it may publicize the Agenda in every congressional district where a supportive candidate is running, so long as it does not engage in what is called "express advocacy."³ In addition, depending on how it is organized and whether it takes contributions from businesses, it may be involved directly in some races to a limited extent. So long as its political activities are not its primary activity, it may do them, subject only to some limited taxation.

A (c)(4) may also establish a separate segregated fund, commonly called a PAC, which may get involved in campaigns just like the free standing political committee. It may, however, raise money only from its "restricted class," which could limit its funding. The restricted class includes the organization's members.

³ 2 U.S.C. Section 431(18)

⁴ 2 U.S.C. Subsection 501(a), 501(c)(4), 527

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501(c)(3)

A very controversial program is being undertaken by a (c)(3), indicating that it may have involvement in the electoral process, notwithstanding the express prohibition on it. At this time, a (c)(3) is not recommended because it would have to be truly independent of the (c)(4) and its PAC.

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**ENTITIES ELIGIBLE TO PARTICIPATE
IN A CAMPAIGN FOR A SUCCESSFUL AMERICA**

I. Federal Political Committee

A. Permitted Activities

1. Create Agenda
2. Publicity and Education
3. Recruit Candidates
4. Train Candidates

B. Fundraising/Spending Limitations

1. Subject to entire Federal Election Campaign Act
2. \$5,000 per year incoming contributions
3. \$5,000 per election contribution to any candidate
4. No corporate contributions

C. Miscellaneous

1. No independent expenditures (because of relationship to candidate)
2. Reports regularly to FEC
3. All contributions and expenditures in the public record

II. Non-Profit: Social Welfare Organization

A. Permitted Activities

1. Create Agenda
2. Publicity and Education
3. Establish and Administer PAC -
 - PAC may solicit membership
 - PAC may recruit and train candidates
 - Candidates may have to pay fees

B. Fundraising/Spending Limitations

1. May solicit general public for membership
2. No limit on incoming contributions
3. No limit on expenditures for publicity/education

C. Miscellaneous

1. Tax exempt Section 501(c)(4)
2. Direct political activity should not exceed 15% of expenditures
3. File Form 990 in lieu of tax return, names contributors (names are not made public)
4. Candidates may have to pay fees for some services

III. Party Committees

A. See above for "Political Committees"

B. Additional Activities

1. Coordinated Expenditures (General Election)
2. Non-allocable Expenditures

(Prepared by Gordon Strauss of Thompson, Hine & Flory)

B. ENVIRONMENTAL ASSUMPTIONS

- George Bush will be running for re-election.
- Dan Quayle will be his running mate.
- Bush will be challenged in the primaries which will preclude early allocation of resources to general election.
- George Bush approval by convention time will be in the 55% to 60% range.
- Democrats will go through a spirited nomination process involving at least five candidates at the beginning.
- Democrats will again nominate a Left-of-Center candidate.
- Jesse Jackson will have less influence than he did in '88.
- Doug Wilder will be one of the potential Vice Presidential nominees for the Democrats.

- David Duke will continue to be a political player causing speculation regarding the country's vulnerability to a demagogue, as well as some measure of grief within the party.
- There will be a major effort by Republicans to capture the Senate and make significant gains in the House.
- Limitation of terms movements will be reflected in state initiatives in no less than a dozen states and will have significant sponsorship in Congress.
- There will continue to be some schism within the House Republican Conference.
- There will have been no campaign finance reform bill passed which will have any impact on the '92 elections.
- A tremendous number of House retirements plus redistricting will increase at least the perception and probably the reality of significant electoral competitiveness.
- The pressure on political dollars will be extreme (two U.S. Senate races in California adds to this pressure considerably).

- The decision making period for voters will continue to be very late in the campaign.
- The base philosophy of many special interest groups will increasingly dominate their own specific issue agenda.
- Tribalization/balkanization of American society will be underway at an increasing pace.
- Economy will be in recovery by Labor Day 1992.
- The alienation of voters to all things political/governmental will continue to increase.
- Mideast crisis will have been satisfactorily resolved and will quickly be receding into the history books.
- The recovering economy coupled with a relatively tranquil scene internationally will mean that the issue focus will be very diverse with quality of life issues tending to be dominant.

- If the economy is in recovery, the issues which will have considerable focus in 1992 will be most of the recent ones, including environment, education, crime/drugs, etc.
- Free trade agreement with Mexico will be in place and there will be a movement towards a hemispheric free trade agreement beginning.
- Consummation of European Community '92 will have crystallized America's thinking, making us more aware of increasing international/regional competitiveness on the one hand vs. increasing one world order on the other.
- An anti-tax revolt will be very much alive and well across the country but will be driven more at the state level than at the national level.
- The Right to Life issue will continue to be the cutting edge in a handful of races.
- There will be a growing inter-generational conflict underway in the country (i.e. young versus old on retirements benefits/payments).

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- The Democrats' effort to create class warfare with their fairness theme will not have been unsuccessful but will have resulted mostly in once again just sticking Republicans with the "party of the rich" label.
- Right Track/Wrong Direction data will still be negative.
- The mood in the country will continue to be fairly sour with a continued belief that Washington is out of touch with reality.

to enacting the Agenda for a Successful America, is critical to America; individuals who, when considering the idea, believe that, if elected, and by serving not more than one or two terms that they could make a difference and who can also see that there is some realistic possibility of winning.

As such individuals are attracted, whatever the source of information and stimulus for that initial interest, there must be easy avenues available to them to identify themselves and a mechanism to quickly and totally respond to any expression of interest. This mechanism should include everything from printed materials that could be sent out in great quantity to individuals willing to respond in person when appropriate.

Because there will be so many opportunity districts in 1992, the effort, in order to be successful, must incorporate at least these components:

- o A massive communications effort geared towards reaching the maximum number of individuals which presents and explains the Agenda, always with language suggesting only by electing new people to the House can it be enacted;
- o A two-way outreach program that will surface the names of prospective candidates and/or make it easy for such individuals to make themselves known;

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JOHN J. PYNE
PETER E. DERRY

PYNE & DERRY, P. C.
ATTORNEYS AT LAW
SUITE 640
THE CHEVY CHASE METRO BUILDING
TWO WISCONSIN CIRCLE
CHEVY CHASE, MARYLAND 20815
(301) 961-0240
FAX (301) 967-3920

DISTRICT OF COLUMBIA OFFICE
1000 CONNECTICUT AVENUE, N. W.
WASHINGTON, D. C. 20036

September 28, 1995

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Jeffrey Eisenach
10706 Vale Road
Oakton, Virginia 22124

Re: FEC v. GOPAC, Inc.

Dear Mr. Eisenach:

I enclose herewith the original transcript of your deposition in the captioned case, together with instructions concerning corrections to the transcript. It would be appreciated if you would read the transcript, list any corrections necessary on the errata sheet and then return the package to me.

Thank you for your courtesy in this matter.

Sincerely yours,

PYNE & DERRY, P.C.

Peter E. Derry, Inc.
Peter E. Derry

PED/mr
Enclosure

Exhibit 145

- o A broad-based communications effort supported by specific stimuli designed to generate local citizen committees which will seek out prospective candidates; and,
- o Specific individuals assuming responsibility to assure that, in fact, candidates do file.

These can be accomplished by undertaking the following steps on whatever repetitive basis is needed:

- o Prepare and disseminate information on the Agenda for a Successful America through all normal and unique communications channels, including:
 - full use of C-Span
 - releases directly to other than major metropolitan dailies
 - short featurettes for cable use
 - audio featurettes for radio PSA use
 - seeking maximum visibility in publications and materials of all allies

Following is a series of initial activities for each component. A final category, designated as "Project Management", lists coordination activities which must be undertaken immediately as well. The accompanying Estimated Budget is representative but would be refined when specific plans are finalized.

Agenda for a Successful America

- o Identify Project Coordinator
- o Determine scope of document
- o Identify team to develop Agenda
- o Identify and analyze existing work
- o Develop draft document
- o Circulate to GOPAC Charter Members, Members, party officials and other allies for reaction and input
- o Translate to candidate application
- o Present to Republican Conference
- o Print and distribute Agenda for a Successful America
- o Present to public through mass distribution and earned media

National Pattern - Campaign Models

- o Identify Project Coordinator
- o Analyze competitive open and challenger '90 races
- o Analyze cost-effective technology software, communications systems, etc.
- o Identify coalition allies at the state and district level
- o Develop national pattern and concepts for local translation
- o Develop national newsletter, electronic bulletin board, other interactive communications systems for allies and campaigns

Education/Training

- o Identify Project Coordinator
- o Develop Agenda, candidate and campaign training materials in video, audio, and print for candidate, committee, staff and volunteers
- o Develop candidate guides for low dollar, no staff start-up
- o Distribute materials to candidates and party organizations
- o Design and host training seminars

Project Management

- o Determine financial resources and commitments available
- o Determine and establish appropriate legal entities and relationships
- o Design program consistent with projected funding
- o Based upon available resources, determine priorities for action
- o Designate overall coordinator who will then begin the process of determining responsibility for each component
- o Identify and recruit Charter Project Coordinators for each component
 - Agenda
 - Recruitment
 - Model campaign development
 - Education/Training
- o Charter Chair and Project Coordinators meet
- o Finalize plan, timeline and proposed budget for each component
- o Distribute draft documents to review committee
- o Coordinate execution of projects
- o Provide Charter Members progress reports
- o Coordinate working group sessions of Charter Chairs, Project Coordinators, review committee, and allies -- monthly conference calls -- quarterly meetings
- o Provide regular communications with interested and/or prospective candidates

VIII. DRAFT SUMMARY BUDGETAgenda for a Successful America

Analysis of existing policy papers, coordination and
discussion with allied organizations and Members,
writing and analysis of Agenda, production of document,
initial publicity and distribution of Agenda (4 months): \$75,000

Recruitment

Outreach and response to prospective candidates, including
direct mail and individual contact, development of generic
and specific recruitment packages, travel and recruitment
support, management and coordination of recruitment process
(20 months) \$300,000

Development of a National Pattern

Analysis of successful 1990 campaigns, assessment of applicable
technology and communications system, development of national

pattern with models for local application, determination
of resources and tools needed for each model (6 months) \$75,000

Education

Development of training components, development and production
of audio and video tapes, training guides, seminars and conferences
10 videos w/ 250 dubs
20 audio tapes w/ 1,000 dubs
10 training guides for 1,000
5 seminars
coordination and direction of educational program (20 months) \$400,000

Program Administration and Coordination

Support staff, communications, overhead, miscellaneous travel
expenses and legal and accounting fees (22 months)* \$350,000

TOTAL BUDGET \$1,200,000

* Assumes space and program management is provided through existing programs or consultants.

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(Prepared by Gordon Strauss of Thompson, Hine & Flory)

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- Mideast crisis will have been satisfactorily resolved and will quickly be receding into the history books.
- The recovering economy coupled with a relatively tranquil scene internationally will mean that the issue focus will be very diverse with quality of life issues tending to be dominant.

- If the economy is in recovery, the issues which will have considerable focus in 1992 will be most of the recent ones, including environment, education, crime/drugs, etc.
- Free trade agreement with Mexico will be in place and there will be a movement towards a hemispheric free trade agreement beginning.
- Consummation of European Community '92 will have crystallized America's thinking, making us more aware of increasing international/regional competitiveness on the one hand vs. increasing one world order on the other.
- An anti-tax revolt will be very much alive and well across the country but will be driven more at the state level than at the national level.
- The Right to Life issue will continue to be the cutting edge in a handful of races.
- There will be a growing inter-generational conflict underway in the country (i.e. young versus old on retirements benefits/payments).

- The Democrats' effort to create class warfare with their fairness theme will not have been unsuccessful but will have resulted mostly in once again just sticking Republicans with the "party of the rich" label.
- Right Track/Wrong Direction data will still be negative.
- The mood in the country will continue to be fairly sour with a continued belief that Washington is out of touch with reality.

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Exhibit 145

