



Gates weathers storm in Senate committee, wins 11-4 backing

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City officials kick off LR Red Ribbon drive to combat drug abuse

— Pulaski Page



Razorbacks, 'Horns set to hook 'em up one last time in LR

— Page 1D

Arkansas Democrat Gazette

ARKANSAS' NEWSPAPER

LITTLE ROCK, OCT. 19, 1991

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SATURDAY

In the news

□ Gov. Mario Cuomo of New York, who now is considering running for the Democratic presidential nomination, said that he would resign from his third term as governor if he declares his candidacy for the 1992 race.

□ Rep. Dave McCurdy, D-Okla., who was considering a presidential race, said in Oklahoma City he would not run, citing his family and the shortage of time to raise campaign money.

□ The Rev. Jim Rentz, co-pastor of the Family Worship Center of Jimmy Swaggart, and Wayne Ansin, a vice president at Jimmy Swaggart Bible College, resigned in Baton Rouge, La., but would not say if their leaving was related to the evangelist refusing this week to quit preaching following a second scandal with an alleged prostitute.

□ Gov. William Donald Schafer of Maryland tightened the state's belt further by signing a bill that will cut \$80 million from the current state budget of \$11.6 billion, a measure that allows cuts in education, saying, "Today is not an easy time for any of us."

□ Anthony Jones, 18, was arrested in Baltimore and accused of running a violent drug ring that sold more than \$1 million in cocaine annually with a team of even younger dealers, and officer Edward C. Bochniak said of their ages, "If this is the current trend, then we've got our hands full."

□ Manon Charlemagne, a Haitian folksinger who supported deposed President Jean-Bertrand Aristide, was kidnapped in Port-Au-Prince moments after he was released from a prison where he had been held since Oct. 12 by the new government.

□ Stanley Morris and Herbert D. Kleber, deputy directors with the Office of National Drug Control Policy who were fired by former drug czar William Bennett when the agency was founded in 1989, are resigning, current director Bob Martinez said in Washington.

□ Robert Garcia, 58, the former congressman, and his wife, Jane, 50, were convicted in a retrial in New York federal court of extortion in the scandal-plagued Wedtech Corp. after their convictions from a trial in 1989 were reversed on appeal.

News Hotline:
374-NEWS

Weather

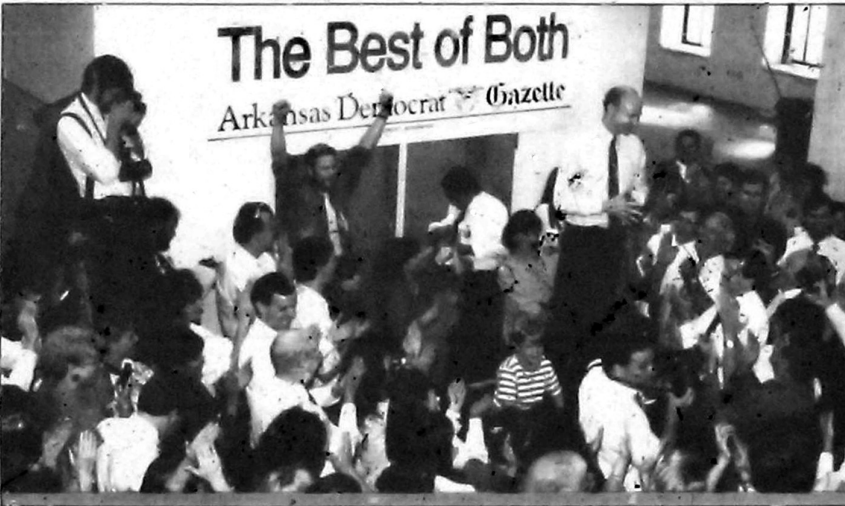
Little Rock - Partly cloudy and cool through Sunday. High today 65 to 70 with northeast winds 5-10 mph. Low tonight 45 to 50. High in the mid-80s Sunday.

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It's over! Gazette closes



WAR ENDS — Surrounded by a cheering crowd of employees, Publisher Walter E. Hussman Jr. announces he has paid \$68 million for all the assets of the Arkansas Gazette and renamed his newspaper the Arkansas Democrat-Gazette.

\$68 million buys assets, paper's name

BY ANDREW MOREAU
Business Writer

Little Rock's bitter 12-year-old newspaper war ended Friday when *Arkansas Gazette* owner Gannett Co. Inc. formally surrendered.

Arkansas Democrat Publisher Walter E. Hussman Jr. announced he paid \$68 million to buy the assets of the competing *Gazette*, which published its last issue Friday. Hussman's newspaper will become known as the *Arkansas Democrat-Gazette* beginning today.

"We are eternally united," Hussman said at a news conference Friday afternoon in announcing the arrangement. Little Rock Newspaper Inc., owned by the Hussman family, will take control of the *Gazette*'s downtown office building and its east Little Rock printing plant and presses.

Gannett decided to quit publishing the *Gazette* after Friday's edition, according to a statement Hussman issued to *Democrat* employees Friday. "Today Gannett Co. Inc. permanently suspended publishing operations of the *Arkansas Gazette*, published its final edition, terminated all employees and closed the newspaper," the statement said.

The agreement was signed July 3, forwarded to the U.S. Department of Justice for approval Aug. 1 and received final approval Friday after *Gazette* employees failed to find investors to help them buy the paper. Dozens of media organizations were approached about buying the *Gazette* but none showed interest. Speaking to *Democrat* employees Friday, Hussman said advertising and circulation will grow "dramatically" at the newspaper, which will rise from about the nation's 95th largest newspaper to the 60th largest.

See WAR, Page 12A

News saddens even *Gazette*'s critics

BY KARL CATES
Staff Writer

Friday's demise of the *Arkansas Gazette* was met with dismay by even its most staunch critics.

"It gives me a feeling of melancholy to see what was once a great newspaper close," said former Gov. Orval Faubus, who served from 1955-1967 and disagreed often with liberal *Gazette* editorials, particularly ones endorsing integration.

"They have been a worthy adversary," said Jim Johnson, a Supreme Court Justice from 1959-66 who also clashed publicly and frequently with the *Gazette* over its editorial agenda.

Allin, Allbright join staff

Richard Allin and Charles Allbright, the *Arkansas Gazette*'s two most widely read columnists, have joined the staff of the *Arkansas Democrat-Gazette*.

"Both of these writers had contracts with the *Gazette*, which we were glad to assume," Managing Editor John

R. Starr said. "We would have begged them to join us even if there had been no contracts."

Allin and Allbright join former *Gazette* columnists John Brummett and Orville Henry on the pages of the *Democrat-Gazette*.

Regular features that the

See COLUMNS, Page 13A

Gov. Bill Clinton, who was on the presidential campaign trail Friday, sent a letter of condolence to some 700 employees of what he dubbed a

"prestigious" newspaper. "Its constant commitment to honesty and progress in our state and nation has been an

See REACTION, Page 11A

Peace talks for Mideast to start Oct. 30

BY BARRY SCHWEID
AP Columnist

JERUSALEM — The United States and Soviet Union on Friday announced an Oct. 30 starting date for the long-sought Middle East peace conference designed to settle the 43-year Arab-Israeli conflict.

The talks, beginning in Madrid with Presidents Bush and Mikhail Gorbachev in attendance, will be the first broad-gauged Mideast peace parley since the failed conference in Geneva in 1973.

The announcement came after Israeli Prime Minister Yitzhak Shamir said he would recommend to his Cabinet that Israel attend.

Secretary of State James A. Baker III assured him the Palestinians would meet Israel's "parameters" and the Israeli leader added: "Jim

See MIDEAST, Page 17A

Thomas sworn in



HAPPY DAY — Clarence Thomas (left), his wife Virginia, and Justice Byron White visit before Thomas swears Friday to uphold the Constitution as an associate justice of the Supreme Court. Article, 4A

DHS children services director resigns

BY RACHEL O'NEAL
Capitol Bureau

The director of the state's Children and Family Services Division said his resignation and reassignment Friday was partially because of the "pressures and stresses" of a federal lawsuit filed against the

state earlier this year.

Richard Dietz's resignation came a little more than three months after a federal lawsuit was filed that contends abused and neglected children are monitored by underqualified and overworked social workers. The division is under the

state Human Services Department.

At his request, Dietz will move into an assistant director's position in the division where he will be responsible for child-care program planning, training and grants management.

See DIETZ, Page 16A

Democrat-Gazette born, offers best of both papers

(Editorial)

Today is the first issue of the *Arkansas Democrat-Gazette*, a combination of the 120-year-old *Arkansas Democrat* and the 171-year-old *Arkansas Gazette*. Little Rock and Arkansas have been served for over a century by what had become two of the best statewide newspapers in America. Beginning today, readers will get the best of both newspapers in one daily edition.

Today is also the culmination and the end of perhaps the most intense newspaper competition ever known in the newspaper business. Although costly for the owners, the competition has brought Little Rock and Arkansas some of the lowest newspaper prices for subscriptions and advertising in America. In addition, both papers have offered an incredibly large volume of news, with the *Arkansas Democrat* regularly and the *Arkansas Gazette* occasionally publishing more news on a daily basis than the national edition of *The New York Times*. This type of intense competition could not last, and what began as a battle for parity and later dominance evolved into a struggle for survival. Despite far greater odds against it, the *Arkansas Democrat* survived. With Gannett Co. Inc.'s decision to sell or close the *Gazette*, and with no other buyers interested, the *Democrat* yesterday purchased all of the *Arkansas Gazette*'s assets.

Both papers have a long and proud heritage, especially the *Arkansas Gazette* being the oldest newspaper west of the Mississippi and winner of two Pulitzer Prizes. With that type of tradition, the owners of the *Arkansas Democrat* have vowed to not let the *Gazette* name die and effective today have renamed the newspaper the *Arkansas Democrat-Gazette*.

Clearly, competition in newspapers as well as all other businesses is beneficial. Sadly, for America, newspaper competition in cities served by two newspapers has all but become extinct.

Today there are only 16 cities in America that have two separately owned, competing newspapers. Just two years ago there were 24, and the year before the *Arkansas Democrat* was purchased in 1974, there were 37. This was down sharply from 81 cities in 1933 when television started serving cities throughout America. And in the days before radio, there were over 500 cities in America with two papers.

Our goal for the future is to make the *Arkansas Democrat-Gazette* the best statewide newspaper in America. With your support and help, we plan to make Arkansas' Newspaper America's best.

— Walter Hussman Jr.