The House Thursday passed and sent to the Senate legislation to make it easier to register to vote. The so-called "motor voter" bill would require most states to allow citizens to register when they apply for driver's licenses and unemployment or welfare benefits. Most states would have to permit registrants to mail in registration cards. States also would be required to register voters at other public facilities such as libraries and schools.

President Clinton is likely to push ahead with plans for a $31 billion economic stimulus package, despite increasing signs that the nation's economic recovery is faltering without his help. And he seems to have come up with a way to fund the package that won't push the federal budget into the red.

The government reported Thursday that the nation's retailers had surprisingly strong sales in January and noted that consumer spending jumped 5.3 percent to a record in December. But the gain followed a drop in U.S. productivity — that is, the amount of output per hour of work, which has not posted a post-inflation best showing since 1972. Several analysts suggested that the long-awaited job outlook may be brighter.

Indeed, the number of people filing initial claims for unemployment insurance dropped slightly in the week ending Jan. 23, the first downturn in three weeks. The unemployment rate, which stood at 7.3 percent in December, remained unchanged at that pace in January for the second straight month, according to the Labor Department. The nation's employers cut back on hiring in January, while layoffs and separations in the previous month remained high, according to the Bureau of Labor Statistics. The net result is that the number of people out of work and looking for jobs increased slightly in January, the department said.

Baseball Punishes Reds Owner
For Racial, Ethnic Slurs

By Ronald J. Ostrow and David Laster

LOS ANGELES TIMES

LOS ANGELES

Federal Judge Kimba Wood, 49, a registered Democrat who has served on the bench since 1991, emerged Thursday as President Clinton's top choice for attorney general, with one government source saying she has been "the front-runner" because she is considered the first woman to hold that post.

Other sources agreed that she is Clinton's first choice, though they said she may have been offered the job. They noted that an FBI background investigation has not begun.

A thorough review of Wood's background is thought to be especially important to Clinton. The FBI issued an original choice for the job, Zoe Baird, withdrew her nomination under pressure from allegations of illegal aid for children for which she had been accused.

 Asked Thursday if he was close to naming Wood, Clinton said simply: "Yes."

White House officials said no specific discussion has taken place, but added that widespread speculation about Wood's selection could lead Clinton to move faster than he has originally planned.

The Los Angeles Times reported Thursday that Clinton has decided on Wood, the source said, after extensively considering the list of attorney general prospects that Clinton's top aides have presented. Clinton named Wood to several key legal posts, including as the presiding judge of the bankruptcy court for the District of Columbia.

Wood has served as a U.S. attorney in Washington since 1989 and was appointed to the district court by Clinton in 1991. She is currently a federal judge in the Eastern District of New York.

Wood attended the University of Michigan and Harvard Law School. She has been appointed as a Bilderberg Group member, a private club of international leaders who meet to discuss policy issues.

Business Ethics

By Fred Hiatt

MOSCOW

The Russian economy, 13 months since the government's drastic reformations ever attempted, stands at a moment of greatest promise but also of extreme danger.

The promise lies in a privatization program that could irreversibly remake the shape of the nation's once-gigantic economy. Already, 46,000 enterprises have moved from state ownership into private hands. The success, however, looks tenuous. Anatoly Chubais, chairman of the state company for privatization, has said there will be a program to unload big factories faster than has been accomplished anywhere else.

But the privatization program along with virtually every aspect of Russia's democratic and free-market reforms, is threatened by potential hyperinflation. With the ruble doubling every two months, the country has not yet reached, but is nearing, the point where money is considered worthless and normal economic ties collapse.

While economists debate the exact definition of hyperinflation, some dispute the grave consequences. Hyperinflation can lead to riots, decimation of the nation's currency and a collapse of its economy. In Russia, it could also bring down the USSR.

"Everything would fall apart," said Richard Layard, a professor at the London School of Economics and an adviser to the Russian government. Layard is the author of a book on trade relations between regions. "It is less real hyperinflation, but certainly becomes a real hyperinflation in the next six months, and the only concern,"

"If you ask the Greek economist, Andis Hassias, he said the middle class would be eroded away, the backing for the left would collapse and keep paying wages only by incorporating any cuts in other programs. More than $14 billion of those savings have come from defense, so to get around that, the politically unpopular Reagan administration might go to deficit reduction, Clinton will have to declare a budget emergency. In August, the Treasury secretary said that money on domestic programs.

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