



THE PRESIDENT HAS SEEN
11-13-99

Testing

Pls do not say from,
tell him what you're
doing - BE

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Jennings
Podesta
Brenkhardt (for
reply)

~~SECRET~~

THE PRESIDENT HAS SEEN

11-13-99

St. Mary's Hospital

A Health Care Organization



of East St. Louis

July 23, 1999

Richard J. Mark
President and
Chief Executive Officer

11/13/99

The Honorable William J. Clinton
President of the United States
1600 Pennsylvania Avenue, NW
Washington, DC 20500

*After you have
seen, we will
send original to
Burkhardt for reply -*

Dear President Clinton:

It was an honor and a privilege to talk with you during your recent visit to East St. Louis and to have you autograph the photograph of you and I from 1992. Thank you for bringing national attention to the great needs for economic investment and development in our nation's poorest communities.

For 109 years, St. Mary's Hospital has been a vital economic anchor through the changing fortunes of our community. Today, we are the third largest employer in the community with approximately 580 employees and an annual payroll of over \$12 million. Over 65 percent of our employees live in the East St. Louis area.

With an annual budget of approximately \$40 million and a commitment to doing business locally whenever possible, St. Mary's Hospital is the backbone of the local business community.

As you and Congress debate the future of Medicare, I encourage you to take a critical look at the way policies in Medicare negatively impact your efforts to promote the economic well-being of America's inner cities.

Front-line urban hospitals, like St. Mary's, are the economic core of many inner city communities. The simple truth is that significant cuts in Medicare payments threaten the economic viability of inner city hospitals. Over 90 percent of our patients are on Medicare or Medicaid -- or have no insurance at all. Because of this, decisions made about Medicare have a disproportionate impact on our financial health and our ability to continue our mission of improving the quality of life in our community.

129 North Eighth Street, East St. Louis, Illinois 62201
618 482-7025 TDD 618 482-7174 Fax 618 482-7014



Ancilla Systems Affiliate

President William J. Clinton
July 23, 1999
Page Two

Cuts in Medicare brought on by the Balanced Budget Act of 1997, such as the reduction of the allowances for Medicare bad debt and disproportionate share, along with proposed future cuts to the Medicare budget, will cost St. Mary's Hospital over \$1 million annually.

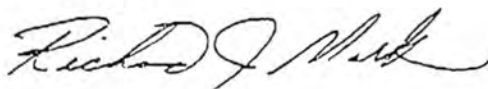
In East St. Louis, 70 percent of the population receives government assistance and the per capita income is less than \$9,000. Our senior citizens cannot afford supplemental insurance to cover their co-pays or the balance that Medicare does not cover and they cannot afford to pay in cash. St. Mary's treats these patients regardless of their ability to pay. Medicare bad debt provisions provided some relief to that burden. But now, the Health Care Finance Administration is phasing that away.

While your program to provide assistance with prescription medications for senior citizens is admirable, the price may be the reduction of other vital health care services as hospitals are forced to make cutbacks. In the worst case, it could mean the closing of inner city hospitals themselves. Doctors and hospitals are suffering financially due to the Balanced Budget Act. Without doctors and hospitals willing to serve senior citizens, prescription drug benefits will be meaningless.

As you reflect on your tours in East St. Louis and other communities like ours, I ask that you consider the impact of policies made in Washington, DC. Sometimes, changing one piece of the puzzle has serious consequences somewhere else. I know your administration is committed to making a real difference in the economic vitality of inner city communities, you could demonstrate that commitment by supporting disproportionate share hospitals, reversing the elimination of the bad debt provision, and opposing future cuts of Medicare payments to hospitals like St. Mary's.

In East St. Louis on Tuesday, July 6th, Mayor Debra Powell said the key to economic development is **LOCATION, LOCATION, LOCATION!** St. Mary's has decided to not forsake the community like many other corporations. Please don't penalize us for choosing a location with such poverty and need.

Sincerely,



Richard J. Mark, CHE
President/Chief Executive Officer

RJM:aks

THE PRESIDENT HAS SEEN
11-13-99

NO
GREATER
LOVE

(SUGGESTED MEMO)

Date: November 11, 1999

To: John Podesta

From: The President

Re: NATIONAL MOMENT OF REMEMBRANCE

Since we both like the idea of the Moment of Remembrance, please arrange to have Carmella LaSpada come on board at the White House before the Millennium to coordinate this effort as a dollar-a-year consultant.

Copied
Podesta

*This woman said
she showed you this -
want to
you think? Be*

Mr. President, thank you for your support of the national Moment of Remembrance for Memorial Day. I would like to see the Moment of Remembrance, honoring those who died for our freedom, as a White House Initiative and have it be your legacy. John Podesta loves the idea, and I can make it happen for you as a dollar-a-year consultant. What do you think? If you like the idea, here is a suggested memo to John to make it happen.

Carmelle La Spada
1750 New York Avenue, NW
Washington, DC 20006

THE PRESIDENT HAS SEEN

11-13-99

THE WHITE HOUSE

WASHINGTON

Geo. Frumpton

We need an
answer to this
prob. a letter from
Mitch Berger to
Layman - Pls get
on this -

RC

12

copied
Frumpton
Podesta

SHOULD WE LET
WARS RAGE ON?

HARP

In the age of E-hype.com,
A Defense
Book *of the*

BY WILLIAM GASS

WOODSTOCK 99

WHAT A RIOT

BY DAVID SAMUELS

SUGAR DADDIES

*Why Clinton and Gore
chose to save the sugar industry
and not the Everglades*

BY PAUL ROBERTS

PLUS:

"THE LADY IN THE LOOKING-GLASS,"
BY VIRGINIA WOOLF

**THE REAL ESTATE AGENT'S
GUIDE TO LOVE CANAL**

"BROWNIES,"
FICTION BY ZZ PACKER



EDWARD LUTTWAK: GIVE WAR A CHANCE

150
YEARS
1850-2000



HARPER'S

HARPER'S MAGAZINE/NOVEMBER 1999



IN DEFENSE OF THE BOOK

On the Enduring Pleasures of Paper, Type, Page, and Ink

By William H. Gass

THE SWEET HEREAFTER

Our Craving for Sugar Starves the Everglades and Fattens Politicians

By Paul Roberts

ROCK IS DEAD

Sex, Drugs, and Raw Sewage at Woodstock 99

By David Samuels

BROWNIES

A story by ZZ Packer

Also: *Virginia Woolf, Jonathan Dee, Hayden Carruth*



US \$4.25/CAN \$5.50

THE SWEET HEREAFTER

Our craving for sugar starves the
Everglades and fattens politicians

By Paul Roberts

Like any modern farming town, Clewiston, Florida, de facto capital of the American sugar industry and, by its own estimate, "America's Sweetest Town," reveals itself to visitors well beyond the city limits. Thirty miles out, the famous sugarcane crop begins—tall, genetically tailored, and emerald green—stretching out like nappy AstroTurf as far as the eye can see. Next come the thick, mile-high smoke clouds as the freshly cut cane fields are burned off. And then comes the smell: the funky, earthy, sickly-sweet odor of cane juice being boiled down into coarse blond crystals of raw sugar. Six months a year, twenty-four hours a day, in Clewiston or anywhere else in the Rhode Island-size piece of drained swamp known as the Everglades Agricultural Area (EAA), the scent is inescapable and unmistakable, a territorial marker that makes newcomers grimace and reminds everyone else what money smells like.

On this particular October afternoon, one week before Election Day, 1998, the lucrative bouquet is especially sharp in downtown Clewiston. Not only has the cane harvest begun but U.S. Sugar Corporation, headquartered here since 1931, is planning a huge bash for the opening of its new sugar refinery. Located on the south side of town, the refinery towers twelve

stories over the flat former swamplands, a colossal monument to prosperity in the age of consolidated agribusiness. After today, U.S. Sugar will no longer need East Coast refiners to turn its raw crystals into white table sugar but will sell directly to the customer, in every-



BURNING CANE FIELD

thing from 2-pound bags for homemakers to 100-ton railcar loads for industrial users. This is the kind of vertical integration that already defines most of the food industry, and its arrival in Clewiston is being treated like the discovery of oil, or the acquisition of a pro football team, or something less earthly altogether: for indeed, J. Nelson Fairbanks, CEO of U.S. Sugar, is a fiercely religious man who believes his company is on a mission from God and who is, in any case, throwing a party of biblical proportions. Already, workers are unfolding a circus-size tent that, when erected, will boast stadium-caliber air-conditioning, a magnificent stereo sound system, a

full-size catering kitchen, and seating for 750. The guest list reads like a who's who of sugar: lobbyists and industrial sugar users, analysts and reporters, local lawmakers, top state politicians, and congressmen—even Fairbanks's arch rivals, Alfonso "Alfy" Fanjul and his brother, Jose "Pepe," authentic sugar barons whose neighboring cane holdings are the biggest in America and whose political connections in Tallahassee and Washington are so famous that Hollywood has based movie villains on them.

The political tone of the festivities is no accident. Sugar has always been on intimate terms with government, for without it the industry could not enjoy its current size and wealth. For example, until recently, growers like Fairbanks and the Fanjuls relied on a federal "guest" worker program for a steady supply of cheap, docile Caribbean cane cutters. And although that particular embarrassment is gone, cane producers remain absolutely beholden to other forms of governmental intervention. Nearly every acre of sugarcane in south Florida is irrigated and drained via a costly, tax-supported system of pumps, dikes, and canals that effectively prevents the Everglades Agricultural Area from reverting to swamp while keeping Lake Okeechobee, to the north, from flooding. Unfortunately, this system, in combination with the heavy fertilizers sugar farmers apply to their fields, has degraded the remaining "pristine" Everglades downstream, yielding years

Paul Roberts is a contributing editor of Harper's Magazine. His last piece for the magazine, "The Federal Chain-Saw Massacre," appeared in the June 1997 issue.

of litigation and an environmental catastrophe that will cost taxpayers \$8 billion to fix. But not sugar. Although Florida cane farmers are footing part of the cleanup cost, their small share is all but buried under another, more pervasive government handout: a federal sugar program that keeps the domestic price of sugar some 50 percent above the world market price. This sweet protectionist deal not only adds a nickel profit to every pound of sugar produced by large U.S. cane farmers but has abetted the Everglades' decline by encouraging farming in marginal swamplands that could not be profitably planted otherwise.

Sugar is, in effect, getting paid to do some serious ecological damage, an argument made by environmentalists, free-traders, and other critics each time Congress reauthorizes the sugar program, but to little avail. Each time, the industry prevails with an impressive blend of political skill and resources. Between 1990 and 1998, American cane farmers and their sometime allies—sugar-beet farmers, sugar refiners, and the makers of high-fructose corn syrup (HFCS)—poured some \$13 million into presidential and congressional campaigns and tens of millions more into local races, especially in Florida, where sugar has spent at least \$26 million on everything from referendums to supporting Jeb Bush for governor in 1998.

That's a lot of money, especially from an industry less than one tenth the size of automobiles or oil, and it has forged a chain of political obligations and alliances that is immune to even the most vigorous good-government crazes. Three years ago, for example, the sugar lobby not only throttled a congressional attempt to phase out sugar price supports (persuading six of the bill's co-sponsors to switch sides) but dished

out some \$23 million to stop a Florida proposal to tax growers for Everglades restoration. And just this April, sugar lobbyists in Tallahassee pushed through a last-minute bill weakening federal authority over Everglades cleanup, then

dredged miles of dikes and claims to let the swamp flow free and wild again. What Gore failed to mention, however, is that the plan is crippled because, at the behest of sugar lobbyists, it leaves virtually untouched the cane



HARVESTING CANE IN THE USA (ABOVE); SUGARCANE (LEFT)

convinced newly elected Governor Bush to sign the law immediately, before incensed environmentalists could mount a veto campaign.

Nor is the White House immune to sugar's charms. In 1996, just hours after Al Gore proposed his own sugar tax and vowed to make the Everglades the centerpiece of the administration's environmental policy, Alfie Fanjul called Clinton, interrupting the President's meeting with Monica Lewinsky, to remind him of the vast sums the Fanjuls had pumped into Clinton's presidential campaigns. (Lewinsky would later remember the caller's name as "something like 'Fanuli.'") Gore's tax proposal vanished, as did the administration's interest in genuine restoration. This July, Gore presented Congress with an \$8 billion, twenty-year Everglades restoration plan, which calls for ripping out hun-

farms that helped to create the mess in the first place. If anything, the new refinery in Clewiston is really a colossal monument to a relatively small industry's success in utterly dominating an entire segment of American policy.

With two days till the opening, Clewiston is abuzz with a homecoming-game excitement. Dignitaries have begun to arrive and the hotels are full. The *Clewiston News's* "Special Clewiston Sugar Refinery Grand Opening Issue" has hit the stands, and a small army of U.S. Sugar publicists has prepared a paralyzing concoction of press releases, backgrounders, tours, and free food for the coming media hordes. Arriving in Clewiston, I'm greeted by Laura Jamieson, a cordial, businesslike flack assigned to me by U.S. Sugar's public relations firm in Miami. Over a small table in the dimly lit Everglades Lounge, Jamieson thanks me profusely for my interest in sugar, passes me several pounds of press material, then outlines my itinerary for the next two days—a nonstop series of refinery visits, executive interviews, and

aerial tours, culminating in a front-row seat at the refinery opening, with side options for a fishing trip or a tour of Miami Beach, if the journalistic need arises. It's a blend of Southern hospitality and sophisticated "communications strategy," a full-court press designed to keep me exhaustively informed, thoroughly occupied, and completely out of mischief while I'm in Clewiston.

In contrast, U.S. Sugar's main competition, the Fanjuls, and their company, Florida Crystals, seem altogether indifferent to the press. Neither Alf nor Pepe will consent to speak to me even by phone, and requests to visit the company's vast offshore cane holdings in the Dominican Republic are steadfastly ignored. The brothers' exclusiveness isn't

surprising. Whereas Fairbanks and U.S. Sugar have continued to bank on their image as sugar pioneers with close ties to the land, the Fanjuls have no such cachet. Rich, controversial, and Cuban-born, with Palm Beach mansions and a \$500 million fortune, the brothers are easy targets for muckrakers from 60 Minutes to the *National Enquirer*, most of whom portray the Fanjuls, in not so subtle racist undertones, as symbols of why America is going down the toilet. The unkindest cut was *Striptease*, a satirical 1996 film featuring two cut-throat Cuban-American sugar barons, their toadying congressman, and the dancer that brings them all down. *Miami Herald* columnist Carl Hiaasen, on whose novel the movie was based, called his barons Joaquin and Wilberto Rojo. But any reader of the south Florida society pages had no difficulty recognizing Alf and Pepe, their collection of yachts and politicians, or their family's elitist disregard for those who work their lands. "Christopher had never been to the farm, but he'd seen photographs," writes Hiaasen of Joaquin Rojo's womanizing, barhopping son. "The cane fields looked like a stinking hellhole; he was astounded at the fortune they produced. There

was so much money that one couldn't possibly spend it all."

Begging off a dinner invitation from Jamieson and her P.R. colleagues, I spend my first night exploring America's Sweetest Town, a task that takes all of about ten minutes. Clewiston's 6,348 residents live in a narrow crescent, bounded on the north by the huge earthen levee that keeps Lake Okeechobee from overflowing its banks and in every other direction by cane—a sea of green that laps up against backyards and parking lots, playgrounds and curbs, and fundamentally shapes every

aspect of life within. In fact, although cane is grown in some eighty tropical and semitropical nations and states—and sugar beets nearly everywhere else—few spots on earth render the bizarre spectacle

of the modern sugar industry quite so visible as south Florida. Three counties south of Lake Okeechobee account for more than half the country's cane production, a focus on sugar so intense and deeply entrenched that, depending on the time of year, a visitor will find not only the U.S. Sugar Corporation and the Sugarland Highway but also Sugar Industry Appreciation Week, the Sugar Festival, the Taste of Sugar Country Dessert Contest, the "Miss Sugar" Beauty Pageant, and even, in the small black town of Harlem, a Miss Brown Sugar contest. Driving slowly down Clewiston's main street, hunting for something other than political ads and Christian rock on the radio, I nearly rear-end a green Ford pickup making a left turn. The driver, wearing the customary straw planter's hat, stares searchingly at me in his rearview mirror, then smiles warmly and makes his

turn. His bumper sticker reads: WE RAISE CANE.

Factory and farming towns have always found quaint ways to celebrate their economic mainstays, but there is more to sugar's pull than mere dollars. Sugar has power because almost no one who has once tasted sugar ever

wants to do without it. We love sugar, and our affection is physical, an involuntary, evolutionary adaptation that guided our ancestors to fruits and other crucial carbohydrates and that seems to involve the same pleasure-producing neural chemistry associated with opiates. That may or may not explain why people kicking heroin crave sugary snacks, or why, in lab tests, even healthy subjects eat significantly more food when it's sweetened. But it certainly does make clear why the food industry now adds sucrose and other sweeteners—notably HFCS—to nearly all processed foods, from ketchup and sandwich bread to frozen entrées and baby food. Like Elvis or sex, sugar is everywhere and in everything—our economy and politics, our language and demographic makeup, our physiology and mass psychology, and, of course, our diet. Sweeteners now make up a fifth of America's caloric intake: the average American consumes a pound of sweetener, or 117 teaspoons, every sixty hours.

All green plants create sucrose from sunlight, air, and water via photosynthesis. But the most proficient species are the sugar maple, the sugar beet, and sugarcane. And although beets are now the nation's greatest source of sucrose, it was cane, or *Saccharum*, that launched the sugar business and that has, for better or worse, provided most of the industry's visible character. A massive, bamboo-like grass that can grow twenty feet tall, *Saccharum* was discovered in southern Asia 10,000 years ago and by 300 B.C. was being processed into sweet syrups. Crusaders brought a crude crystalline sugar back to Europe, where demand soon outstripped supply. By the fifteenth century, when European explorers sailed south to the African coast and west to the New World, they were driven as much as anything by the need to find more suitable sugar-growing regions.

By the 1600s, the sugar colony had emerged as the mercantile model of imperial commerce—a massive, centralized slave plantation devoted to a single crop that was shipped back to the mother country for refining. A delicate plant, cane needed ample fertilizer, irrigation, and a workforce inured to backbreaking tedium. During



THE CLEWISTON REFINERY

harvest, slaves spent weeks in the fields, bent over, hacking the tough woody stalks with razor-sharp machetes as they marched down the bug- and snake-infested rows. The cane would be hauled to a mill and ground between rollers to extract the juice. The precious liquid was then reduced in massive heated cauldrons, tended round the clock in oppressively hot proto-factories, and, at a precise consistency, poured into molds. Excess liquid was drained off as molasses, and the hardened bricks of raw sugar were sent to refineries in Antwerp, London, or Rouen for additional whitening. Timing was critical, for cane juice spoils in hours; during harvest, milling continued around the clock, leaving workers so tired that the fingers and hands of those feeding the mills often slipped in between the grinding rollers. As one historian notes: "A hatchet was kept in readiness to sever the arm, which in such cases was always drawn in; and this no doubt explains the number of maimed watchmen."

These were minor obstacles. By 1700, spurred by the growing popularity of coffee, chocolate, and tea, sugar had surpassed tobacco as the New World's most lucrative export. Sugar, molasses, and rum (from fermented molasses) gave the struggling colonies their first economic impetus, fostering new commercial and political elites—and new patterns of exploitation. Under the infamous "triangle of trade," sugar from English colonies in the Caribbean went to England for refining, ships then went on to Africa to exchange goods for fresh slaves, who were shipped to Caribbean plantations. Writes historian Sidney Mintz: "The first enslaved Africans brought to [the New World] in 1503–1505 worked on sugar plantations, and the last enslaved Africans smuggled into Cuba in the 1860s or 1870s worked on sugar plantations—a depressingly enduring continuity."

As nations grew accustomed to sugar revenues, the industry gained political power. Countries shielded their planter colonies with protective tariffs, sparking geopolitical strife. In 1733, British planters on Barbados and Jamaica, annoyed that New Englanders were using French Indies molasses to

make rum, convinced Parliament to heavily tax any non-British sugar imported by America.¹ The resulting Molasses Act contributed as much to America's revolutionary fervor as any other British snub.

Yet for all sugar's importance to America's origins, the new country had no sugar industry of its own and had to rely on imports—a position that abetted America's growing aspirations to imperialism. In the Kingdom of Hawaii, American sugar planters, hungry for the import privileges enjoyed by U.S. planters, cynically fostered a revolt that drew American military intervention and, eventually, annexation. In Cuba, U.S. investors bought up almost half of all sugar production, which not only let them feed their American refineries with cheap raw-sugar imports but also fostered massive resentment in Cuba that, coupled with the economic instability inherent in one-crop economies, contributed to a century of rebellions, dictatorships, coups, repression, and, finally, revolution.

Even by 1920, the U.S. sugar industry still was small, centered mainly in Louisiana and Hawaii with a slowly developing sugar-beet presence in the Midwest. Florida wasn't even a bit player. Despite a subtropical climate and an early sugar heritage—*Cañaveral* means "cane field" in Spanish—cane was a garden species, grown piecemeal

¹ Molasses became intrinsic to New England culture, cooking, and even history: on January 15, 1919, a molasses holding tank operated by the Purity Distilling Co. in Boston's North End collapsed, sending a 2-million-gallon river of warm thick syrup raging down Commercial Street. The brown wave, as high as thirty feet, knocked over buildings and cars, buried horses, killed twenty-four people, and injured sixty more. Company officials at first blamed vibrations from a passing elevated train, then speculated that anarchists from the predominantly Italian neighborhood had dynamited the tank. A later inquiry cited structural defects.

by settlers and Seminoles. The future capital of cane was still dismissed as a hot, buggy, underpopulated state whose swampy saw-grass interior, in one account, was "suitable only for the haunt of noxious vermin, or the resort of pestilent reptiles."

At a boat ramp just off the Sugarland Highway, on the eastern edge of the Everglades, Freddy Fisikelli slides a battered aluminum airboat into the tepid waters of an irrigation canal and beckons to me. Sixty-nine years old and rail thin, tanned to the color of shoe leather, Fisikelli grew up on the



SUGAR FACTORY IN THE WEST INDIES, CIRCA 1670

swamp, hunting and fishing until the game and fish disappeared, and is said to know the Everglades better than anyone alive. I've ditched my sugar publicists for the morning to take a ride in his boat, a sixteen-foot-long flat-bottom barge with a huge rear-mounted propeller and a gargantuan 500-cubic-inch V-8 engine pulled from a Cadillac, sans muffler. Fisikelli hands me ear protectors, hits the ignition, and casts off. We motor slowly down the canal until he finds an opening into the swamp. Tugging on the rudder, he nudges the boat through a curtain of reeds and drops the throttle.

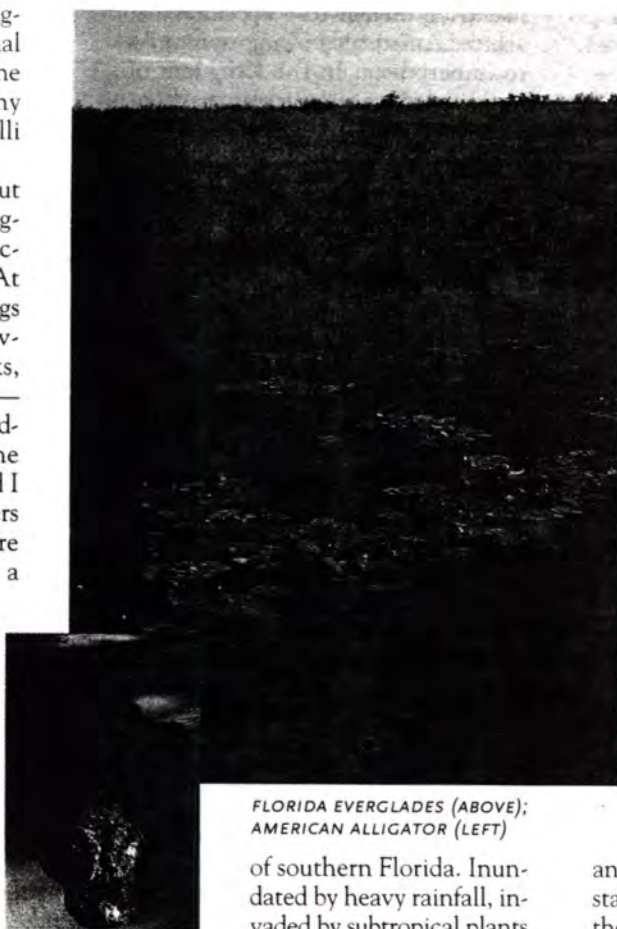
From the air, the Everglades look pretty much like what you'd expect from a huge swamp—miles and miles of soggy grasslands sprinkled here and there with trees. But down low, racing along a narrow canal at 45 mph, the effect is much more like being in a jeep on a savanna, with head-high, brownish-green grass stretching off to a flat

horizon and a huge, pale blue sky. For half an hour we roar down the watery track, gathering a gossamer sheath of spider webs on our hands and faces and startling the native fauna. Black-birds rocket skyward, while the larger, wading varieties—blue herons and cattle egrets—heave up and flap along ahead of us for a dozen yards before veering off. Reeds whip by; a dragonfly creases my hair. The canal widens momentarily, and to one side something large and shiny rolls beneath the water. Fisikelli taps my shoulder: “alligator.”

The engine’s roar drowns out any real conversation, encouraging a bizarre, vibrating introspection as the landscape flies by. At irregular intervals the boat jogs from side to side as Fisikelli, navigating by invisible landmarks, turns into secluded side canals—right, right, left, right, left—winding deeper and deeper into the marsh. The place is a maze, and I begin to understand why hunters and surveyors who go astray here might spend days looking for a way out—and why drug dealers and other thugs use the place to hide problematic objects. Fisikelli himself has walked out twice after his boat broke down. Once he was just five miles from a road, but it took him six hours to slog through the knee-deep water and muck, and when he reached terra firma, his trousers had been ripped to shreds by the razor-sharp native saw grass. That time, Fisikelli was lucky: he got out before nightfall, when mosquitoes come on so thick that marooned hunters paint themselves with engine oil to ward off bites. I’m about to ask, half-jokingly, whether Fisikelli knows where we are when the track widens, the engine goes silent, and we start to drift across a pond-size space of open water dotted with lily pads and purple gallinules. I pull off my earmuffs. The humid air is surprisingly fresh, filled with the sweetish smells of hay and peat and the sound of crickets and frogs. Waves slap rhythmically against the boat’s metal sides. I peer down: the water is still and clear, revealing a few tiny min-

nnows above a copper-colored algae bottom. Looking more closely, I realize that the water is actually moving, barely, from north to south—the slowest river in the world.

The Everglades were created more than 6,000 years ago, when a receding ocean exposed the vast limestone plain



FLORIDA EVERGLADES (ABOVE);
AMERICAN ALLIGATOR (LEFT)

of southern Florida. Inundated by heavy rainfall, invaded by subtropical plants that favored the low-nutrient limestone soil, the landscape gradually gave rise to a forty-mile-wide “river of grass” that began at the southern shore of Lake Okeechobee and flowed in a gentle curve all the way to Florida Bay, 100 miles to the south. Actually, “river” is a misleading term. Between lake and bay, the land slopes less than a quarter of an inch a mile; before 1900, water moved so slowly that a droplet leaving Okeechobee would have evaporated and returned to the marsh as rain perhaps a dozen times before reaching the bay six months to a year later. Nor did the river always flow. In the dry winters the river would drop, its waters receding into millions of shallow pools

that teemed with trapped fish and were a haven for wading birds, which nested on the temporarily dry ground. In the wet summers the Everglades would again be waterlogged, soaking up trillions of gallons of rainwater like a natural reservoir, filtering it, and slowly discharging to Florida Bay. Oscillating on this extreme hydrological cycle, the Everglades offered a particular environment, amenable to a narrow band of plants and animals and utterly contemptuous of nearly all other life forms.

Especially sugar. For all its association with the swampy Everglades, sugarcane is actually a dry land crop requiring constant irrigation yet intolerant of flooding, growing best when the water table lies two feet below the soil surface. In the Everglades the water table is two feet above the soil. Or was, before the mid-nineteenth century. That’s when Congress handed twenty million wet inland acres to Florida lawmakers, who saw the Everglades as the main obstacle holding their new state back from a rightful, prosperous destiny. “Reclamation” became the rallying cry, a righteous crusade complete with glorious visions of an evil swamp giving way to vast orderly rectangles of cotton, rice, oranges, and, of course, sugarcane. “The statesman whose exertions shall cause the millions of acres they contain, now worse than worthless, to teem with the products of agriculture industry,” warbled one booster, “will merit a high place in public favor, not only with his own generation, but with posterity.”

Slowly, expensively, crews dredged the muck, and by 1920 four massive canals had been carved from Okeechobee to the Atlantic Ocean, draining the swamp just south of the lake and raising in its place a fertile crescent of new farmland. The floodgates were now literally open. Between 1900 and 1930, southeastern Florida’s coastal population jumped tenfold, and with postwar sugar prices sky-high, sugar wasn’t far behind. Even as realtors were selling northerners swampland “by the gallon,” backers of sugar ventures were

promoting the Everglades as a cane-growers' paradise. By one consultant's reckoning, the black saw-grass peat, or "muck" soil, was so rich in nutrients that, properly drained, the region's "fertility will be established, practically forever"—without costly fertilizers. Investors came running like children to sweets, among them Charles Stewart Mott, the former General Motors magnate and philanthropist.² Civic hopes were stratospheric. In Clewiston, city fathers laid out plans for a sprawling lakeside metropolis of 20,000 souls, complete with a massive street grid and new moniker—"the Chicago of the Everglades."

They were a little ahead of themselves. Even after drainage the only thing to grow on the unfertilized saw-grass peat turned out to be . . . more saw grass. Not only was the soil less fertile than advertised but the climate of south Florida lacked the warmth that cane is accustomed to. By the time sugar farmers solved that small problem—by breeding new strains of cane and, more to the point, by massive applications of phosphorus and nitrogen—the inevitable oversupply of sugar, followed by the global Depression, pushed prices to a few pennies a pound. Many ventures, including Mott's, were driven into the muck. Even after Congress came to the rescue, stabilizing prices by limiting imports and controlling domestic production—and even after Mott relaunched his venture as U.S. Sugar Corporation—the Florida sugar industry remained tiny.

Then came the 1959 Cuban revolution, and overnight the state's fortunes were made. Having embargoed all Cuban sugar, U.S. trade officials filled the gap by encouraging domestic production of sugar through massive incentives. The results were swift and predictable. U.S. Sugar Corporation and its smaller rivals expanded as fast as they could acquire land and get it planted, while engineers drained more swamp. By the mid-1960s, Florida's cane acreage had jumped tenfold; the

state's sugar industry now was a real player, with big money and an absolute stranglehold on Florida politics, especially in matters of water and drainage.

The post-Castro opportunities also drew outsiders, among them Alfonso Fanjul, heir to the Fanjul-Gomez-Mena sugar empire in Cuba, a sprawling enterprise that, before Castro "stole" it, included 150,000 acres of sugarcane and ten mills. Forced to flee Cuba, Fanjul had no intention of quitting sugar. Moving to Palm Beach in 1960, he and some fellow exiles raised \$640,000 to buy Osceola Farms, which

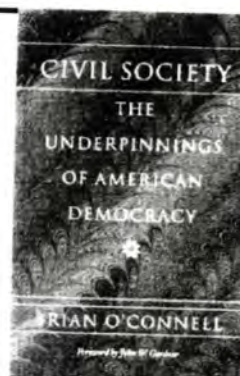
boasted a 4,000-acre parcel of drained farmland in the EAA. By the time of Alfonso's death, in 1980, the eldest of his four sons, Alfie and Pepe, were doing \$30 million in annual sales. Five years later, in a move that confirmed Alfie's strategic touch, the company leveraged \$240 million for the sugar holdings of an ailing rival, netting the Fanjuls 90,000 new sugar acres in Florida plus 110,000 acres of sugar in the Dominican Republic. By 1990, the company, now known as Florida Crystals, had not only surpassed U.S. Sugar as America's biggest cane grower

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² U.S. Sugar is still partly owned by the Mott Foundation, whose devotion to environmental causes has yet to reach Florida. In the 1990s, the foundation spent \$800,000 saving a South American wetland; in 1996 alone, U.S. Sugar spent \$3 million to defeat efforts to protect the United States' largest wetland.

but had become the dominant force in sugar politics, pouring money into election campaigns, flying lawmakers around in company jets, even hosting a Bush Administration official at its posh Dominican resort, Casa de Campo. In nearly every way, the Gomez-Mena empire had been reborn.

But by then the thirty-year post-Castro bubble was ready to burst. Health experts were again denouncing sugar. Alternative sweeteners, such as HFCS, were eroding the sugar market while Congress was threatening the sugar program. Labor lawyers, meanwhile, claimed that Florida cane growers routinely, and profitably, abused the thousands of cane cutters brought in each year from the Caribbean—claims that resulted in multimillion-dollar lawsuits and forced the U.S. industry to convert to mechanical harvesting. But the most serious threat

came from environmentalists, who argued that phosphorus runoff from cane farms was slowly poisoning the Everglades and that the government's system of canals and dikes had destroyed the swamp's crucial flooding cycle—all as state officials looked the other way. In 1988, the U.S. Attorney in Miami filed suit against Florida for failing to enforce its own water-quality standards. For the sugar industry, it was a systemic shock that would, in the parlance of B movies, either kill it or make it much, much stronger.

“We're talking *phosphorus* here, not mercury or heavy metals.” In the small conference room at Florida Crystals' packing plant, Jorge Dominici, the Fanjuls' spokesman, is tutoring me on the finer points of environmental science. Through a cooperative P.R. deal with U.S. Sugar, Dominici has joined my media tour and for the last hour has used maps, charts, and a steady stream of gee-whiz comparisons to demonstrate just how overblown the pollution issue really is. “We're talking parts per *billion*,” says Dominici.

“It'd be like taking ten drops and putting them into a backyard *swimming pool*.” Across the room, Malcolm S. “Bubba” Wade, Dominici's counterpart at U.S. Sugar, reminds me that phosphorus is necessary for all life; why, the bottled water you buy in the store has more phosphorus than is allowed under federal water standards in parks and refuges. Adds Dominici: “You'd have to drink 1,400 *gallons* of the stuff to get your daily recommended allowance.”



ALFONSO FANJUL WITH
PRESIDENT CLINTON

Like much else with sugar, the issue isn't so clear-cut, nor is it simply about the toxicity of a single chemical. When engineers turned the upper third of the Everglades into farms, they effectively severed Lake Okeechobee from the swamp and reversed its natural water cycle. Where the Everglades had been too dry for farming in the winter and so flood-prone in summer that hurricanes

wiped out entire towns, engineers could now irrigate farms in winter and drain them in the wet season. City dwellers benefited, too. Engineers built a massive north-south levee to keep Everglades waters out of the narrow coastal strip that runs from West Palm Beach down to Miami, home today to 5 million people. And to supply those thirsty urbanites, engineers sealed off huge tracts of Everglades just south of the farms—essentially, the middle third of the swamp—as million-acre reservoirs, or Water Conservation Areas. Almost as an afterthought, in 1947 the bottom third of the swamp was reserved as a national park.

From the window of U.S. Sugar's corporate aircraft, five thousand feet up, the signs of so much alteration are unmistakable. South from Okeechobee, the Everglades Agricultural Area unfolds like an enormous emerald checkerboard, its fields perfectly rectangular, neatly scribed by dikes, roads, and rails. Just below the farms lie the water-control structures—huge floodgates and some of the world's biggest diesel-powered pumping stations, each of which can move 2 mil-

lion gallons a minute from the farms into the highway-size canals that run south and southeast, toward the coast.

From this height, it's also clear why the orderly layout doesn't work. In the dry season, the EAA essentially dams up Lake Okeechobee, diverting water that once flowed into the swamp and sending it instead to sugar farmers or urban users. But in the wet season, to keep farms and suburbs dry, canals in and around the EAA carry away the rainwater as fast as it falls. Some is pumped into the Water Conservation Areas, often faster than the swamp can absorb it, drowning out bird and wildlife populations there. The rest—several hundred billion gallons a year—is simply sent down the main canals “to tide” (where this unnatural flood of fresh water is destroying Florida's delicate saltwater estuaries). Not enough water remains to filter down to the last pristine sections of swamp in Everglades National Park. In other words, while the lower glades are starved of water, the upper glades are drowning—a bizarre and ugly situation that has nonetheless allowed sugar officials to insist that the *real* Everglades problem isn't water *quality* as much as water *quantity*.

In fact, the sugar industry knows good and well that water quality and water quantity are inseparable. By draining the saw-grass muck, engineers exposed underwater soils to the air, allowing fertilizers and natural nutrients to oxidize, thus freeing them up to blow away as dust or float off in rainstorms. Over time, up to six feet of phosphorus-laden topsoil has washed from the farms into the Everglades. Granted, phosphorus isn't particularly toxic, and farm runoff concentrations were relatively tiny—200 to 500 parts per billion. But keep in mind that the original Everglades vegetation developed in the nutrient-poor limestone soils, and that even a little phosphorus goes a long way. In the pristine parts of the park, water contains only a few parts per billion (ppb) of phosphorus. But research shows that as concentrations rise even slightly, native plants, such as saw grass, react—first by growing to monstrously unnatural sizes, then by dying off and giving way to phosphorus-loving species, such as cattails.

Exactly how much phosphorus the swamp can tolerate before changes occur is, naturally, a subject of ferocious debate. Ron Jones, a microbiologist at Florida International University and a veteran of the Everglades controversy, claims that 5 ppb to 7 ppb is the natural level, with a maximum of 10 ppb. Sugarscientists say it's higher—as much as 50 ppb. Regardless, changes are occurring. In the national park, for example, cattails are almost nonexistent. But move north and cattail density rises, until, in the upper parts of the Water Conservation Areas, where farm water discharges, cattails have completely replaced saw grass and caused a ripple effect through the Everglades' ecosystem. Cattails grow so thickly that wading birds—the wood storks, white ibises, great egrets, and others—have no place to land. They also have nothing to eat, since all this new plant life sucks oxygen from the water as it dies and decomposes, killing algae and the fish that feed on it. The process is known as eutrophication, and the numerical impacts are staggering. As feeding and nesting sites have dwindled, the annual breeding population of wood storks, for example, dropped from 20,000 in 1960 to 1,800 today. The Cape Sable seaside sparrow, dubbed by ecologists an indicator species for the swamp, has dwindled from the tens of thousands to roughly 3,500. Similarly severe declines are reported for American crocodiles, snail kites, and other birds and animals—declines that usually presage outright extinction. "Cattails are the grave marker," says Jones. "But the first sign that things are amiss is saw grass that has had too many nutrients and is fifteen feet high. Wading birds don't care if it's fifteen-foot saw grass or fifteen-foot cattails; they can't land. It's a mess."

Nearly everyone involved in this debate agrees that saving the Everglades requires two basic actions: reducing phosphorus and restoring some or most of the

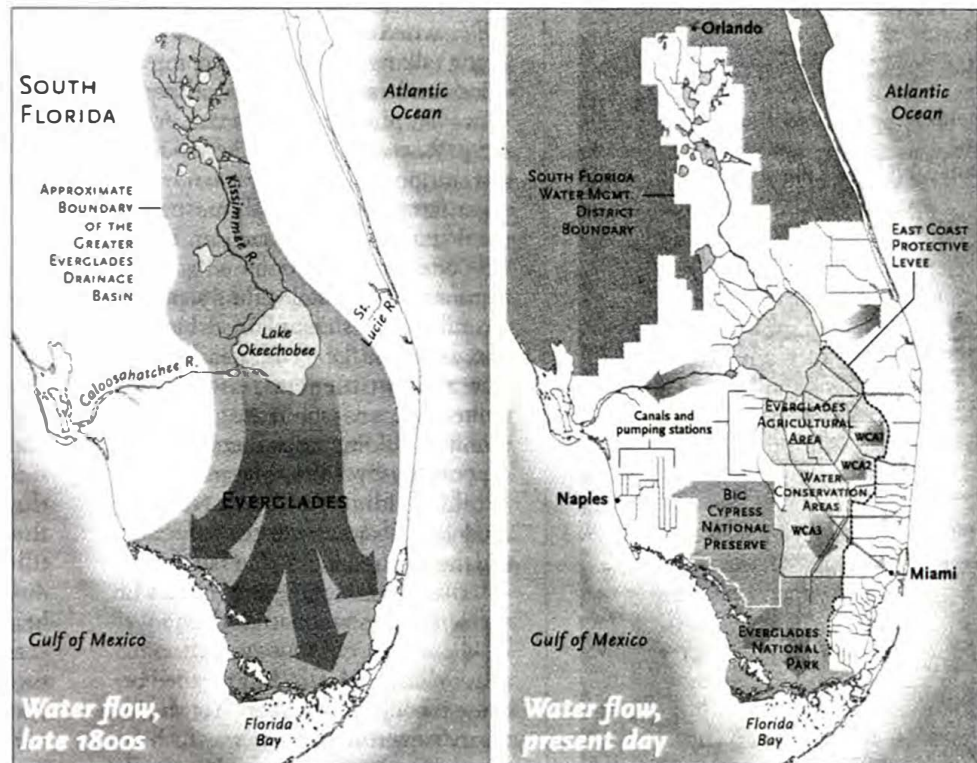
swamp's historic water flow. Both are far easier said than done. It costs many millions of dollars to remove each additional part per billion of phosphorus, and the preferred method—building huge, artificial filtration swamps just downstream from the farms to cleanse the runoff—has had mixed results in tests. Similarly, the only feasible means of restoring water flow is to

tear out all the dikes and canals, elevate the bisecting highways, and, above all, convert a sizable chunk of sugar's precious acreage back into swamp in order to reconnect Okeechobee with the Everglades. Not surprisingly, neither approach has much appeal to an industry accustomed to guaranteed profits and an ever-expanding landbase. So for the last decade, sugar makers and their political allies—including a sizable congressional contingent, dozens of Florida officials, nearly the entire state legislature, and, with depressing regularity, the Clinton Administration—have done all they could to ensure that the Everglades problem remains unsolved.

The U.S. Attorney's suit offers a dra-

duce a folder labeled "More Dirt on Jones.") Then, after the state broke with the industry in 1991 and agreed to cut phosphorus levels by building expensive filtration marshes, sugar lawyers filed three dozen lawsuits to keep the deal from being implemented. One Justice Department attorney called it "the most aggressive and skilled stonewalling I have ever seen."

Sugar hadn't even begun to fight. Stymied in court, the industry wooed friends in higher places, pouring millions of dollars into the 1992 campaigns. The traditionally Republican Fanjuls, for example, played both sides: Pepe vice-chaired the Bush-Quayle Finance Committee, while Alf joined the Clinton-Gore team, hosting a \$120,000 fund-raiser and smoothing



Clinton's way into the staunchly Republican Cuban-American community. "Alfy Fanjul became a Democrat because he has an empire to protect," one state Democratic activist told Miami's *Daily Business Review*. "He's developing his own way to be heard."

And heard he was. In March 1993, Alfy Fanjul met privately with Bruce Babbitt, Clinton's new interior secretary, presenting him with an Everglades restoration plan drawn up by Florida Crystals' scientists. And lo! When Babbitt unveiled the administration's restoration plan at a July ceremony, it bore an uncanny resemblance to Fanjul's plan—stipulating, among other things, that state taxpayers would pick up more than half the estimated \$700 million for the filtration marshes. Babbitt denied any link between Fanjul campaign dollars and the administration's plan, but Alfy Fanjul himself made no such protestations. Speaking directly after Babbitt at the ceremony, Fanjul held up the new plan as proof that "the Clinton Administration delivers."

Clinton would keep delivering. In 1994, Florida Crystals persuaded Babbitt to turn the Everglades matter back over to the state legislature, thus bypassing the federal courts in favor of a political body over which sugar had enormous sway. Exploiting the home-court advantage, sugar recruited an all-star lobbying team, including two former state house speakers and Governor Lawton Chiles's former chief of staff, then launched a media blitz to downplay the phosphorus problem. "We're talking parts per billion," and "drops in a swimming pool" became standard industry tropes, as did dark hints that development might replace sugar if regulations forced growers out of the EAA.

Victory was never in doubt. At a May 1994 ceremony in Everglades National Park, with Babbitt looking on, Chiles signed the Everglades Forever Act.¹ Written mainly by sugar lobbyists, the new state law capped industry cleanup costs at \$320 million, obligated taxpayers for the remainder, and suspended state water standards until 2003, at which point state officials,

not federal scientists, would determine an allowable phosphorus level. Efforts to restore water flow met a similar fate. When federal scientists suggested reconnecting Okeechobee to the remaining Everglades by buying and converting nearly a third of the EAA into a massive flow way, sugar interests went ballistic. The administration publicly denounced the scientists and their proposal, effectively signaling that the sugar farms were off-limits for any future restoration efforts. Indeed, by 1996, when administration officials began talking boldly about ripping out dikes and restoring natural water flows—a plan known as the Army Corps Restudy—it was understood that restoration would occur south of the sugar farms, even though most technical staff knew that such an exclusion effectively undermined genuine restoration. Editorialists and some environmentalists complained bitterly. But, as he had done with nearly all his liberal constituencies, Clinton exploited divisions within the green community, scolding critics and stroking supporters. By 1996, big groups like World Wildlife Fund and National Audubon Society were not only backing the White House plan but actively criticizing any greens who opposed it.

For many critics, sugar prevailed because it bought lawmakers. Yet the industry's main advantage was to have grasped, earlier than most, how badly Clinton needed Republican-leaning Florida for his reelection bid—and how perfectly the Everglades fit into that strategy. In a trademark Clinton move, the president's team calculated that even a weak restoration plan would still let Clinton look green to urban voters without enraging key contributors, such as sugar and real estate interests, and without undercutting state Democrats—among them U.S. Senator Bob Graham, a Clinton ally and the main architect of Clinton's Everglades policy.

Sugar's presidential aspirations almost backfired. Florida was a GOP prize as well, and by mid-1995 candidates Richard Lugar and Bob Dole had promised hefty restoration packages; Lugar went so far as to propose that they be partly funded through a mech-

anism sugar abhorred: a growers' tax. To sugar's horror, the White House joined the chorus, dispatching Gore to Everglades National Park to propose a "polluters' tax" and, worse, to promise to convert at least 100,000 acres of sugar farms back into swamp. When Alfy Fanjul made his infamous call to the White House on President's Day, he was apoplectic. "Alfy felt betrayed," says a lobbyist who asked not to be identified. "He'd campaigned for Clinton, delivered a lot of votes, and here was Gore paying him back with a tax. Alfy was actually bitching [Clinton] out. Just yelling." Too late. Although the White House dropped the "polluters' tax," the idea had already gained enough momentum to appear on a statewide ballot initiative in 1996. With \$13 million in funds, much of it from wealthy donors, a group called Save Our Everglades (SOE) campaigned on the theme of sugar's greed: surely an industry with subsidized profits of a nickel a pound could spare a penny to fix its own mess. The Fanjuls made especially plump targets, with their sumptuous Palm Beach lifestyle, their crass campaign spending, and their foreignness. With months to go till the election, polls showed the industry twenty-five points down and headed for a slaughter.

But again, opponents had misjudged sugar's adaptive powers. In *Striptease*, when the Rojo sugar empire is threatened by a blackmailer, the brothers simply hire hit men and have the body thrown into Lake Okeechobee. In real life, sugar's hired guns were strictly political, but they attacked the environmentalists with the same single-minded intensity. Armed with \$23 million in PAC money, sugar companies launched a sophisticated media campaign that painted the initiative as a radical move that would kill jobs and raise everyone's taxes. Latino newspapers and radio were filled with ads comparing one of the initiative's wealthy backers with Castro. Jesse Jackson was brought in to tell black voters that the tax was "a showdown between alligators and people." Seniors and condo dwellers were bused to the cane fields for "informational" tours and a free lunch. Voters heard how the measure would raise property taxes throughout the state, even though the sugar tax ap-

¹ Asked by one environmentalist how he could support the deal, a grim Babbitt replied, "It's my job."

plied only to sugar farmers within the E.A.A. But no blow was too low. When sugar executives learned of a \$1,000-a-plate SOE fund-raiser at Miami's Fairchild Tropical Garden, U.S. Sugar announced plans to bus in a thousand workers for a \$1-a-plate hot-dog dinner on an adjacent lot, forcing environmentalists to cancel. In the final three weeks, sugar outspent its opponents seven to one with a \$5.2 million ad blitz. On Election Day, voters crushed the initiative in what a Fort Lauderdale *Sun Sentinel* editorial called "a triumph of disinformation" and "voter confusion, most of it deliberately created by the two largest sugar growers."

With less than twenty-four hours till the refinery opening, Clewiston's atmosphere grows positively manic. Tear-shaped, candy-colored rental cars from West Palm Beach and Miami fill the streets. Upstairs in a conference room of the Clewiston Inn, a white-columned treasure where U.S. Sugar puts up visiting dignitaries, I sit down to an enormous platter of sugar cookies with a crowd of sugar-industry officials. Among them are Moira Saucer and Dr. Charles Baker, of the Sugar Association, Inc., a trade group devoted to defending sugar's nutritional reputation from zealots, which, apparently, is a full-time job. The previous week a consumer group reported that American teenage boys drink twenty-eight ounces of "sugary" sodas every day. Saucer is affronted. "There's no sugar in soft drinks—it's all high-fructose corn syrup now," she says, indignantly. "But no one's bashing corn syrup," adds U.S. Sugar's Judy Sanchez. "Reporters skim a book, write a sensational headline, then move on to the next story," continues Saucer. "You tell people that sugar gives you an insulin spike, without ever telling them that that's a normal reaction," says Sanchez. "And it's not even a spike," interjects Dr. Baker. "It's really more of a curve."

Over the next hour I am made to understand that sucrose is good for you, or at least no worse than other sweeteners, at least in moderation, and, in any case, Americans aren't eating anywhere near as much of it as is claimed by the industry's critics, who blame sugar for hyperactivity, diabetes,

obesity, and a host of other ailments. The truth is more complex. It's true that sucrose is no different nutritionally from other simple sugars, such as glucose or fructose, or from any of the other "healthy" sweeteners, such as honey. All are simple carbohydrates and provide four calories per gram. And although there are taste differences—fructose, for example, is considerably sweeter than sucrose—all are employed by the body to supply energy. What's more, despite years of insistence that sugar directly causes hyperactivity or diabetes, these contentions simply haven't been borne out in recent, large-scale studies.

Still, the medical community has serious reservations about sugar's nutritional impact. Unlike complex carbohydrates such as breads, simple sugars provide calories without any other nutrients. Moreover, although sugar intake has not been found to directly cause obesity, the role that sweeteners play in food preference and the ways that sweeteners combine with other high-calorie foods, especially fats, suggest that our rising consumption of sweeteners and our growing girth may not be entirely unrelated. In fact, while the USDA recommends no more than 12 teaspoons (48 grams) of sugars daily for adults, Americans consume four times that amount, an increase of 27 percent over 1970. Ironically, after decades of health fads and low- and no-sugar foods, Americans eat more sweets now than at any time in history—in part because they're easier to get but mainly because, over the past half-century, food companies have steadily raised both the level of sugar in individual products and the number of sweetened products. One fifth of the calories in a can of corn comes from sugars; two fifths in a jar of Prego; one half in Campbell's Tomato Soup; and 94 percent in a bottle of ketchup.

To be sure, food makers add sweetener not simply to entice us with taste but because sugar has miraculous powers as a food additive. It highlights other flavors and gives bulk and texture to cakes and cookies, for example, and viscosity, or "mouth feel," to beverages. Heated, sugar caramelizes, producing a pleasing odor and adding a lustrous, golden-brown color to even the palest microwavable entrees. Sug-

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ar blends superbly with fat, reducing its unseemly tendency to coat the mouth.

Of course, sugar's real power is and always has been the almost automatic hold it has on human taste. The higher the sugar content in a particular food, the more we like it, and the more of it we will consume in lab tests—at least until content exceeds 12 percent, which is too sweet for most adults (though not for most children, who happily tolerate concentrations in excess of 20 percent). Craving is so systematic that researchers long suspected a physical mechanism: after observing the way recovering heroin addicts crave sweets, investigators demonstrated that sweeteners stimulate the release of endorphins, the body's painkillers, in rats, and they suspect a similar reaction in humans.⁴

Sugar, in other words, is a mild drug, a natural, relatively safe drug, to be sure, but one whose main effect on humans—causing them to want more of it and to take action to get it—is becoming ever more central to the marketing strategies of food companies. Snack makers, for example, know that products aimed at children can be considerably sweeter than those for adults; bakers know that certain cultures, like the Hispanic, prefer breads with higher levels of sweetener. More significantly, food makers know that once consumers are accustomed to the presence of sweetener in foods not traditionally sweetened, such as corn chips or meat products, the unsweetened version tastes absolutely bland. Whatever else one can predict about the emerging mass-produced, fast-food cuisine that increasingly dominates the Western diet, it will be sweeter. All of which helps explain the smiles among sugar company executives, who can, according to USDA estimates, look forward to a domestic demand that will rise 16 percent over the next ten years—or about twice the rate of population growth.

The day of the grand opening dawns clear and hot, and by 10:00 A.M., the

⁴ Research indicates that the endorphin response is aided when sugar is combined with fat, which may explain the appeal of ice cream, deep-fried sweets, and, above all, chocolate.

grounds of the new refinery are sweltering. Near the plant the refrigerated circus tent is jammed with industry officials and guests. Snatches of "Sugar Sugar" blare over the P.A. but are mostly drowned out by the roaring crowd, which swells every few minutes as another group returns from tours of the refinery to join the sugar illuminati under the tent. There, by a table of cookies, for example, is Republican John Thrasher, new speaker-elect of the state house and one of sugar's most important allies. Hobnobbing with Thrasher is Democrat Alcee Hastings, an impeached federal judge and current south Florida congressman who has received \$42,250 in sugar money since 1991 and is among its more eloquent defenders. Nearby is Republican Congressman Mark Foley, recipient of \$76,470. Vainly, I scan the crowd for Senator Bob Graham (\$53,450) or the Fanjuls, but I only turn up Dominicus, who gives me a faint smile. Taking a seat next to a smirking news cameraman, I resign myself to one of America's most cherished cultural forms—the factory-opening ceremony.

To a suddenly hushed crowd, the beautiful Sarah Scheffler, a former Miss Sugar, stands and belts out the National Anthem. Scheffler's voice is smooth and sweet, the perfect preface to the saccharine rhetoric to come. One after another, company executives, lobbyists, and congressmen extol the virtues of family, farming, and, above all, teamwork, whether in the cane fields or in the capitol. At one point, company lobbyist Robert Coker nearly swoons while describing sugar's part in the just concluded legislative session in Tallahassee—"the most pro-business legislature in twenty-five years." But the prize goes to Fairbanks, the company's gritty, scripture-reading CEO, who, without the least hesitation, boasts how the sugar industry has entered a new era of competition, unfettered by "government subsidies or intervention."

Even here, in this intensely partisan crowd, I'm astonished by the claim. As everyone in the big tent today surely knows, America's sugar industry is among the most subsidized on the planet, enjoying a domestic price of 22 cents a pound while producers in much of the rest of the world get about 8

cents. Each year, critics say, the federal sugar program not only adds \$1.4 billion to consumers' bills but funnels some \$560 million of it back to domestic producers, who then funnel some back to Congress, which ensures the program's reauthorization under the once-every-six-years Farm Bill. It's a classic political love triangle, obscenely lucrative for the big corporate farms—Florida Crystals makes an extra \$64 million annually under the program, followed closely by U.S. Sugar, at \$55 million—but also sweet enough to keep even smaller farmers on marginal lands in business. By one congressional estimate, one sixth of Florida's cane farms would fail without the program—a point not lost on those who think sugar should never have come to the Everglades in the first place. No surprise then that critics, like Senator Charles Schumer of New York, have long targeted the subsidy as "one of the most invidious, inefficient, Byzantine, special-interest, Depression-era federal programs."

Sugar companies insist that the sugar program isn't really a subsidy per se, since it costs taxpayers nothing. They reject critics' estimates of added consumer costs, and it is true that even though the program adds \$1.4 billion a year to consumer food prices, that's only about \$5.19 per consumer. Sugar companies also point out, correctly, that most of the program's biggest critics are also the biggest buyers of sugar—food makers like Hershey, Kraft, Mars, Nabisco, Proctor & Gamble, and Wrigley's—companies that hate the high domestic price of sugar but would be very unlikely, in its absence, to pass along the savings to consumers. As for the program itself, we're told, sugar makers need protection from underpriced imported sugar, which is either heavily subsidized by foreign governments or simply costs less to make overseas because foreign planters face fewer environmental or labor laws. "The so-called world price of sugar," argues Dominicus, "is nothing more than a spot market for heavily subsidized dumped foreign sugars." As such, sugar companies argue, the federal program protects sugar jobs—420,000, by industry accounts—and consumer pocketbooks: both times

the United States abandoned its sugar program in recent history, 1974 and 1980, world prices skyrocketed to the highest levels ever.

These are lame arguments. Yes, food makers hate the program, and yes, the program costs consumers little, at least directly. Yet the notion that the program protects us from price spikes is boldly disingenuous. In both 1974 and 1980, the price spikes were caused by worldwide shortages and occurred *before* Congress killed the sugar program, which it did because, with prices so high, U.S. sugar makers needed no protection. When prices fell, lawmakers quickly restarted the program. Furthermore, although foreign sugar is heavily subsidized, these handouts don't distort the world price nearly as much as the industry claims. When analysts factor in all sugar programs worldwide, the adjusted world price is around 16 cents a pound—or about a nickel less than American consumers are forced to pay.

Granted, many foreign growers also benefit from lax regulations. But often their biggest advantages are nothing more "unfair" than a warmer climate, like Brazil's, or a more efficient industry, as in Australia. For when all is said and done, America, even semitropical southeastern America, is simply not the best place to grow cane sugar, and it shows. Whereas U.S. cane producers spend \$375 producing a metric ton of raw sugar, Australians, with their better soils and climate and greater investment in breeding, milling, and shipping technologies, spend just \$255 per ton. "Paying lavish subsidies to produce sugar in Florida makes as much sense as creating a federal subsidy program to grow bananas in Massachusetts," quips James Bovard of the virulently anti-subsidy Cato Institute. "The only thing that could make American sugarcane farmers competitive would be massive global warming."

In fact, the sugar program was created to defend sugar growers not just from unscrupulous foreigners but also from their own greed and miscalculations. The current program, for example, was created after the 1974 price spike encouraged farmers to plant too many new acres, which ultimately flooded the market and killed prices. To rescue overextended U.S. growers,

Texas Democrat E. "Kika" de la Garza, chair of the House Agricultural Committee, pushed through guaranteed loans for sugar farmers. Under the program, government financed each year's crop, basing the loan amount on the projected sale price. If government pegged future sugar prices at, say, 13.5 cents a pound, farmers were guaranteed that rate for their crop. If market prices fell short, the farmer could forfeit his crop to the government instead of paying off the loan, leaving the government to recoup its losses by selling the sugar when prices improved. But this sweet deal had a bonus: when forfeiting, the farmer paid the government neither interest nor the expense of marketing the crop—costs that typically add 2.5 cents a pound. Thus, if the guaranteed loan rate were 13.5 cents, the market price would need to exceed 16 cents before the farmer had any incentive to sell his own sugar. Anything under 16 cents, and a farmer made more money forfeiting.

The deal gets even sweeter. Lawmakers initially set loan prices too high, forcing the government to buy several hundred thousand tons of forfeited sugar in 1977 and 1978. But rather than reduce the loan rate—a political impossibility—the government tried instead to keep the market price above the forfeiture level via an even more brazen protectionist move: restricting sugar imports. This, too, proved disastrous. Trade officials routinely misread the sugar market. In 1985 trade officials let in too much foreign sugar, killing domestic prices and prompting the forfeiture of 430,000 tons of sugar—which the government eventually had to sell, to China, for 5 cents a pound. When Reagan then slashed imports to help American producers, he starved American refiners, who depended on raw-sugar imports, driving half of them out of business.⁵

None of this pain was felt by sugar growers. Of the 430,000 tons forfeited in 1985, for example, some 300,000

⁵ The move also crippled sugar countries that had been selling to America's overpriced market. According to a 1988 Commerce Department report, Reagan's Caribbean Basin Initiative, intended to thwart communism by promoting regional prosperity, was offset entirely by the devastation wrought by Reagan's sugar import reductions.

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came from Florida Crystals and U.S. Sugar, for whom forfeiting sugar was simply more profitable than selling it. That same year Florida Crystals was able to buy out a rival sugar company's holdings in the Dominican Republic. The deal netted the Fanjuls half of the island's sugar lands and, significantly, half of the island's U.S. import quota, which meant that the Fanjuls could grow sugar on the cheap but sell it in the high-priced U.S. market. In other words, after complaining about how foreign producers exploited cheap labor and lax environmental laws, Florida Crystals would be doing exactly the same thing itself.⁶

The federal sugar program is, without question, liberalism at its worst: a well-intended venture that has outlived its usefulness, warped the political system, and is helping to destroy a unique environment. And yet each time reformers try to remove or even reduce the program, they're outmaneuvered by a political entity that is willing to craft alliances whenever and with whomever it needs to. Tobacco and peanut farmers support sugar because sugar always comes to their aid. Corn farmers defend sugar because a high price for sugar means fantastic profits for makers of more cheaply produced high-fructose corn syrup.⁷ Unions support sugar because labor believes that without the program sugar jobs go overseas. Together, they and their congressional representatives form a voting bloc that no reformer, committee chair, or even president can afford to cross. When Reagan tried to limit the program in 1981, sugar interests, led by Louisiana Democrat Congressman John Breaux, stopped him cold by threatening to

⁶ Sugar has never supported free trade. When NAFTA negotiations in 1993 looked to open the U.S. market to cheaper Mexican sugar, twenty-five pro-sugar lawmakers threatened to kill Clinton's landmark free-trade package unless the President exempted sugar until 2008.

⁷ HFCS costs about 10 cents a pound to produce. So until corn prices plummeted recently, the main HFCS maker, Archer Daniels Midland, earned some \$924 million extra a year shadowing sugar prices—a convenience for which ADM and its notorious chairman, Dwayne Andreas, "paid" for through millions of dollars in campaign contributions.

scuttle the Gipper's budget. "I can't be bought," Breaux cackled later, "but I can be rented." And when Senate opponents tried again in 1990, Florida's Bob Graham, in a deft bit of environmental blackmail, convinced his colleagues that without the loans Florida's cane growers would not be able to honor an earlier commitment to pay for half the cleanup costs in the Everglades. (Six weeks after Graham saved the program, sugar companies backpedaled, insisting they'd pay only a tenth of the cleanup costs. Graham later claimed that the industry's promises had been "informal.")

All this pales in comparison to the antics during the Farm Bill of 1995—a year that, by conventional political measures, should have seen the sugar program's death. Environmental anger over the Everglades had merged with the antigovernmental zeal of the newly Republican Congress, which targeted "corporate welfare" and farm subsidies as major evils. Sugar refiners had also broken ranks with sugar growers, joining with candy makers, free-traders, and environmentalists in a large, well-funded coalition to defeat the sugar program. By May 1995 two of sugar's biggest critics—Democrat Schumer of New York (whose then congressional district contained a refinery) and Republican Dan Miller (from a caneless district in Florida)—had recruited forty-seven Democrats and seventy-one Republicans to cosponsor a five-year phaseout of the program, then persuaded Pat Roberts, House agriculture chair, to add their amendment to that holiest of political holies—the Farm Bill.

Sugar didn't blink. Companies poured \$2 million into congressional coffers, then launched a brilliant, no-holds-barred P.R. campaign. At congressional hearings, lobbyists shamelessly trotted out charts showing the bogus link between program cancellation and the price spikes of 1974 and '80. They hired Bonner & Associates, a Washington-based firm that specializes in defending distasteful issues with phony, or "astroturf," grassroots campaigns. Bonner bombarded lawmakers with scripted calls and letters from "voters" urging support of the sugar program and even claimed, in many cases falsely, that the program had sup-

port from civic groups and churches.

Over the fall of 1995, reform fizzled. In the House Agriculture Committee, sugar's farm allies threatened to sink the entire Farm Bill unless sugar was exempted. Such a prospect horrified Republicans, who were desperate to give presidential candidate Bob Dole at least one legislative accomplishment going into the primaries. Faced with revolt on his own committee, agriculture chair Roberts caved, exempting sugar from the Farm Bill and forcing a separate vote. On February 28, 1996, the Miller-Schumer bill lost by five votes. Humiliatingly, six of the nays came from Miller-Schumer's original cosponsors.⁸

⁸ For example, Bonner claimed the support of the Detroit Association of Black Organizations, which was news to its executive director, Melvin Byrd. "It's a little far-fetched for us to be involved in the sugar subsidy," Byrd told Mother Jones.

⁹ Five of the vote switchers, Representatives Bobby Rush, José Serrano, Albert Wynn, Sue Myrick, and Steve Stockman, received an average of \$3,000 in post-vote campaign contributions. The sixth, Patricia Schroeder, received nothing, presumably because she was retiring.

Miller blames sugar money, but he also criticizes Clinton, who—perhaps still smarting from Fanjul's phone call ten days earlier—didn't lobby House Democrats. According to Miller, House minority leader Dick Gephardt even pressured Schumer "to stay away from the issue in order for the Democrats to pick up more seats. I don't think the White House had much interest in reforming the sugar program."

Miller was crushed. The sugar program had escaped with only minor modifications, and industry was not feeling especially magnanimous in victory. When the two-term Republican congressman returned home for his own successful reelection bid, he found his office picketed by growers, then heard rumors that the industry was offering any politician who would challenge Miller \$500,000 in campaign funding. Sugar's allies, meanwhile, were shameless. "I ain't no Johnnie Cochran," crowed Republican Senator Larry Craig of Idaho, who received \$59,602 from sugar that congressional session, "but I can defend the sugar program."

For the time being, such defense

seems unnecessary. The next Farm Bill isn't reauthorized until 2002 at the earliest, and reform efforts in the meantime seem unlikely. Even after paring back their reform measure, Miller and Schumer saw bills in 1997 and 1998 defeated by even larger margins, as erstwhile allies mysteriously lost interest. "It was blatant," says one reform staffer who asks not to be identified. "We would be talking to a member and he told that, because the anti-sugar coalition hadn't been very generous with contributions this time, they were going to vote with sugar."¹⁰

In Florida, it's the same story. In 1998, sugar lobbyists hammered through a variety of pro-sugar bills, including one to give state lawmakers line-item control over all future restoration efforts—in essence, handing the is-

¹⁰ Sugar's allies go well beyond Congress. After *Time* focused on the Fanjuls for a series on government subsidies last fall, Brill's *Content* attacked the newsweekly for sloppy reporting and knee-jerk anti-sugar rhetoric—a critique that, as it turned out, was not only rife with errors but had been spoon-fed to Brill's *Content* by Florida Crystals' lawyer Joseph P. Klock, who had previously served as counsel to Steven Brill.

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sue once again to the one legislative body most in sugar's pocket. In the end, Governor Chiles vetoed the bills, but only after weathering yet another phony grass-roots call-in campaign. At the time, Chiles's office reported receiving hundreds of calls from people "who sounded confused or uncertain, and [our operators could hear] people in the background coaching them." When questioned, callers admitted that they were cane-field workers, adding that "they had been told by their employer they would lose their jobs" if the bills were vetoed.

Whether newly elected governor Jeb Bush will continue the tradition of sugar toady is yet to be seen. This summer, Bush surprised environmentalists by arguing for a phosphorus standard of 10 ppb—lower than industry had asked for. At the same time, however, Bush has fought to keep all enforcement of that standard at the state level. And as for the sugar growers themselves, although the new refinery signals that U.S. Sugar is here for a while, Florida Crystals' long-term strategy has never been as certain. The topsoil on its farms was thinner to begin with and thus far more vulnerable to subsidence. That, say critics, makes it far more likely that the family will farm until the land no longer supports sugar; then they will sell their acreage to developers and move offshore, a threat the Fanjuls have been making for years.

The swamp itself has no such escape clause. Although a federal judge is expected to rule sometime this year on a deadline for the state to issue a phosphorus standard, it's not clear how such a standard will be met. In tests small filtration marshes have cut phosphorus levels in outflow waters down to 20 ppb—still twice the recommended level—but federal and state scientists expect the effectiveness to drop sharply as the superexpensive filters saturate with phosphorus.

Even gloomier are prospects for a restoration of historic water flows. Despite all the bravado Gore displayed as he presented the administration's plan to Congress in July—"after three years of work, we now have a final plan that is terrific for the environment, terrific for communities, terrific for busi-

ness, and saves a world and national treasure"—the plan gets poor marks from Everglades scientists. Researchers praise the goal of removing some 240 of the 1,800 miles of levees and canals. But because the plan would convert just 50,000 acres (rather than the recommended 150,000 to 200,000 acres) of sugar farms into rain reservoirs, scientists say it fails to reconnect Lake Okeechobee and the Everglades, or reverse the cycle of drought and flood that have pushed the swamp into a coma. As a result, the various chunks of the remaining pristine Everglades—the national park, several state preserves, and the lands owned by the Miccosukee tribe—now exist in a kind of eco-competition, fighting to get enough water in the dry season and avoid it in the wet season. In a report last year, the science staff at Everglades National Park rejected the plan because it "largely retains the fragmented management and compartmentalization characterizing today's Everglades." The staff found "insufficient evidence" to suggest that the Clinton plan would bring "recovery of a healthy, sustainable ecosystem" and, in fact, found "substantial, credible and compelling evidence to the contrary."

Still, if the plan is not exactly what doctors ordered for a sickly ecosystem, it truly is, as Gore notes, "terrific for business." In a deftly timed move to help the struggling presidential contender woo Florida's politically powerful development lobby, the Clinton plan guarantees the urban southeast coast enough water for roughly twice its current population—even while depriving the Everglades of sufficient water in the dry season. "They've turned 'restoration' into a huge water-supply project," gripes Joe Browder, Washington environmental consultant and a longtime Everglades advocate. And, of course, sugar companies just love the Clinton plan, since it won't cost them a dime, doesn't interrupt their irrigation or drainage regimens, takes only a small chunk of farmland, and, best of all, makes it considerably easier to sell the public at large on the concept that the Everglades "problem" is being taken care of. This summer, less than two weeks after Gore sent his

\$8 billion restoration plan to Congress, President Clinton wrapped up his inner-city tour by jetting down to tony Coral Gables for a \$25,000-per-couple Democratic fund-raiser. The host was none other than Alfie Fanjul, who was probably in a cackling good mood, knowing that all the talk of a substantial change in the Everglades status quo had been just that—talk—and that, at least for America's sugar barons, it would be business as usual for the foreseeable future. During a newspaper interview, Fanjul opined that Bill Clinton had been "a great president."

Out in the swamp Freddy Fisikelli points his airboat northward. We pass an old fishing camp—essentially, a mobile home on stilts, with two airboats tied out front and four men sitting on the deck, drinking beer and staring at us. No one is fishing. Fisikelli waves and cruises by, moving slowly, keeping the big V-8 quiet enough for conversation. He tells me how he used to want to be a cowboy, back in the 1930s and '40s, when cattle, not cane, was king in the Everglades. He talks about hunting for duck and deer and boar, and how he first began to notice the changes—the dwindling numbers of birds and animals, the bizarrely huge vegetation, even the way the swamp had begun to smell. Fisikelli falls silent for a moment. Up ahead, still out of sight, is a massive floodgate known as S-10, which lets out water from the farms into the Water Conservation Areas. Phosphorus around S-10 has been measured as high as 500 ppb, and the closer we come to the floodgate, the more the saw grass gives way to cattails, many of them incredibly tall from the overly fertilized soils below. Fisikelli eases back on the throttle and lets the boat drift on the molasses-slow current. I peer over the edge of the airboat. The water is murkier here, and the minnows are gone. "Smell that?" he asks. The once-fresh breeze is now tainted with the slightly sulfuric scent of rot, as the overabundant cattails die and decompose. Fisikelli shakes his head, then slowly turns the boat around, and heads back south, toward cleaner water and away from the smell of money. ■

In Martian mix-up, an overtaxed NASA?

■ Wednesday report on why probe failed paints a picture of an agency straining to do more for less money.

By Alex Salkever

Special to The Christian Science Monitor

Back on Dec. 14, the crew of the Mars Climate Orbiter was full of hope.

The probe had just lifted off and was hurtling toward the Red Planet. Photographs of hoarfrosted Martian dunes and a peak twice the height of Everest would follow, perhaps clarifying whether life ever clung to the russet world.

But 9-1/2 months later, the probe careened out of control and burned up in Mars' atmosphere.

On Wednesday, a contrite NASA offered an explanation for what had gone so horribly wrong. Over the 416-million-mile journey, officials said, the difference between success and failure had been a mere matter of metric conversion.

Unknowingly, the Mars team had entered data in pounds of force, not newtons - the metric gauge that the computers expected.

The gaffe had been widely known even before the announcement, but the report also pointed up a deeper concern about NASA's new "faster, better, cheaper" strategy. The mantra represents a shift toward more frequent and smaller space missions mandated by shrinking budgets. Yet now, with the \$125-million Mars Climate Orbiter (MCO) joining a list of recent missions that have either failed or had major malfunctions, some scientists worry that the opportunity for error may be becoming too great.

In the MCO mission, investigators said overworked and undertrained navigators were unfamiliar with the spacecraft and were juggling several missions.

Among the other problems to recently beset the space program, the Far Ultraviolet Spectroscopic Explorer (FUSE) satellite has been unable to properly focus its mirrors on distant targets. And, in two

lesser July glitches, Deep Space 1 failed to get any close-up pictures when it rendezvoused with an asteroid, and the Lunar Prospector didn't detect water, possibly because it missed its target.

"It's clear there have been some disappointments in the past year," says Kenneth Sembach, a deputy project scientist for the FUSE mission. "It could very well be related to 'faster, better, cheaper.'"

While NASA says the rapid-fire strategy is not to blame, officials said Wednesday that the MCO operation showed classic signs of culture shock caused by the move away from big missions with big budgets and longtime horizons.

"Budget and schedule are important, but safety is No. 1 and mission success is No. 1," said Edward Weiler, associate administrator of NASA's Office of Space Science. "You can't

With shorter time horizons to design and launch spacecraft also comes the ability to use the most current technology. "With the older missions, by the time you launched, some of the technology was way out of date," says Norm Haynes, former director of Mars exploration at the Jet Propulsion Laboratory in Pasadena, Calif.

MOREOVER, it allows scientists to more narrowly tailor each probe to the execution of a specific goal. "An astronomer is like a carpenter," says William Blair, chief of mission planning for FUSE. "The more tools he has that are specialized for different tasks, the more efficient he is at doing what he does."

And while the budget constraints have tended to push scientists toward using existing satellite designs, some claim that the constraints force them to be more innovative as well. "Everybody knows there isn't any more money," says Dr. Haynes. "You make the decisions you have to make and you make do with the money you have. I don't think it's hurting anything."

However, it is too early to tell if the quality of science has suffered under "faster, better, cheaper." And the new strategy clearly has some undesirable side effects.

The FUSE mission was originally planned to launch into a high Earth orbit. But to save money, scientists chose a lower orbit. This nearly halved the working observation time for FUSE's instruments.

Other missions have compromised for less-than-optimal efficiency to accommodate budgets. Computers provide more accurate simulation of missions, but

redundancies and precautions that might have been taken in the past are sometimes eliminated, say several scientists.

With more missions, everyone expects more failures. While unpalatable, failures may signify that scientists are pushing the envelope and advancing science.

"It's clear that one can't spend as much money on every possible redundancy," says David Helfand, an astrophysicist at Columbia University in New York. "But it's also clear that failure of a cheaper mission is not an unreasonable price."

EXPLORING SPACE



CALTECH/JPL/NASA/AP

LOST IN SPACE: The Mars Climate Orbiter disappeared on Sept. 23 as it entered orbit around Mars. It burned up in the atmosphere because the crew mistakenly entered English, not metric data.

get a billion hits on the Internet until you land on Mars."

For the most part, though, scientists - including Dr. Sembach - remain in favor of the new strategy, saying it allows them to be more up to date and eliminates overdependence on one mission.

More frequent missions allow scientists to deal better with failure. The loss of the MCO is not catastrophic, whereas the loss of the Viking Lander in 1976 would have set back Mars exploration by a decade and cost several billion dollars.

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Podesta

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THE CHRISTIAN SCIENCE MONITOR

FRIDAY
SEPTEMBER 12, 1999

MINNESOTA PLAN



JUDY GRIESEDECK

SHARON LOGAN: Holding her new baby girl, Amani.

When moms get paid to raise kids from home

By Abraham McLaughlin
Staff writer of The Christian Science Monitor

MINNEAPOLIS
WHEN Minneapolis resident Sharon Logan gave birth to a sparkling baby girl last fall, she made a life-changing choice: She quit her beauty-salon job to become a full-time mother.

And now this quick-to-smile mom is getting a gift that helps her stick with her decision: a \$365 monthly check from the state of Minnesota.

Mrs. Logan and her husband, Darnell, are one of a handful of families in this famously progressive state who've signed up for a unique-in-the-nation program. It actually pays lower-income parents to stay home with their newborns for the first year.

It's hardly a full-time salary - at most about \$3,000 per family per year. And fewer than 100 families have signed up. Yet the program is symbolic of small-but-growing

See DAY CARE page 4

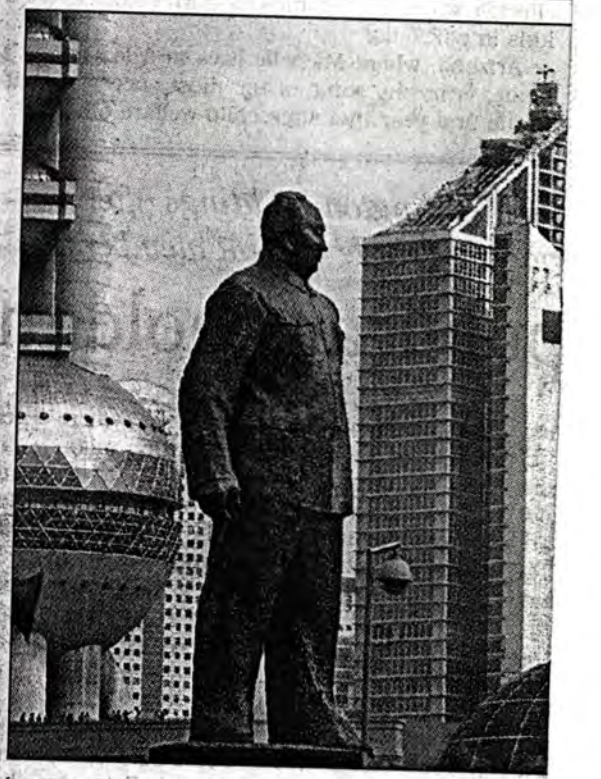
Forcing a reth

■ An unrelenting US push for a missile defense system raises concerns of friends and foes ab

By Justin Brown
Special to The Christian Science Monitor

WASHINGTON - The US desire to push forward with a national missile-defense system in the coming years is having a ripple effect across the globe, drawing criticism from allies and adversaries and threatening to spawn a new arms race.

The American jabs over permanent national security. Desires shooting down missile defense s



Eyes to th

A statue of a former Shanghai mayor rises for China in the World Trade Organization

Hollywood and Big

On a screen that glamorizes smoking

By Ron Scherer
Staff writer of The Christian Science Monitor

NEW YORK - Who can forget Humphrey Bogart - Bogie - with a cigarette dangling out of his mouth at Rick's Cafe? Or a suave-looking Robert Montgomery plugging Lucky Strikes? More recently, it's been Nicholas Cage or Kate Winslett or Gwyneth Paltrow - almost every Hollywood protagonist, in fact - puffing away.

Now, however, a new movie is out that portrays smoking and the cigarette industry in a different light - one that is creating a rare rift between Hollywood and Big Tobacco.

In "The Insider," a whistle-blower agrees to tes-

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USA

Minnesota pioneers plan that pays moms to stay home

DAY CARE from page 1

support – from society in general and from politicians on both the left and the right – for parents who choose to raise their kids at home. For families like the Logans, it helps them get over the hump.

"I'm so grateful we can focus on raising this baby," says Logan, sitting in her tidy, spartan apartment as her preteen son, Ellis, gives his gurgling baby sister a bottle.

The politics behind this movement to support stay-at-home parents are quite unusual. Conservatives back it because it addresses their concern over the breakdown of the American family. Liberals like it because it responds to early-childhood re-

search that shows children prosper if they get consistent, quality care in their first few years.

This coincidence of concerns sped passage of the program in Minnesota in 1997. That, in turn, helped spark passage of a small tax credit for stay-at-home parents in Utah this year – \$100 for each child.

On the national level, President Clinton has backed a Republican-supported plan to give a tax break for stay-at-home parents. Back in 1990, meanwhile, California passed a similar tax-credit measure.

This relatively short list compares to the 36 states that give some aid to families who choose out-of-home day care – and the 20 states that give tax breaks to companies that provide day-care aid to employees.

But Minnesota is the only state that actually pays out subsidies. It offers them to any family whose income is below 75 percent of the state's median income – a relatively wide range.

The average monthly subsidy – which varies according to family income – is just \$280, so it's rarely the deciding factor in



JUDY GRIESEDECK/SPECIAL TO THE CHRISTIAN SCIENCE MONITOR

whether a parent stays home. But it often helps a stay-at-home mom or dad be there longer.

AND that's exactly what the program's chief proponent wants. "I've just watched the continual breakdown of the American family go on too long," says Richard "Doc" Mulder, a Republican state legislator and long-time family physician.

The program also saves the state money. That's because the payments are significantly lower than the costs of an all-out subsidy of a family's day-care needs, which Minnesota and many other states offer. "Conservatives like saving money," says Dr. Mulder,

"and liberals like paying mom." For liberals, it also rights a hypocritical wrong evident in the welfare-reform movement's strict work requirements.

"Conservatives were saying, 'If you're a low-income parent, you have to work, but if you're high-income you shouldn't,'" observes Margaret Boyer, executive director of the Alliance of Early Childhood Professionals here.

Minnesota's program – called At-Home Infant Care – helps right this wrong. Mulder hopes to expand it far beyond the 78 families who've used it since it began last year. He'd also like the subsidy to last two years – instead of the current one year. And he hopes other

FULL-TIME MOM: Sharon Logan and her husband, Darnell, sit with their baby, Amani, and son, Ellis, in their Minneapolis home. The state pays Sharon to stay home with her newborn.

states will copy the idea.

But whatever the politics, for the Logans the program simply means a critical chunk of new income. When Sharon Logan quit her \$2,500-a-month beauty-shop job, that left the family with only Darnell's income. Since he's also going to graduate school, he works just part time and brings home \$1,000 a month.

To get by, Sharon says they "juggle a lot." The family has just one car and they don't go out to dinner much. They get health insurance through the state, and they occasionally use federal food stamps. But they do have a computer, a large-screen TV, and Ellis sports Tommy Hilfiger jeans.

But despite the lack of abundance, Sharon is almost supremely serene – a disposition she says comes from deciding to check out of the rat race.

"The world is too greedy, too obsessed with material things," she says, sitting at her glass-topped dining-room table. Deciding to stay home "allows me to stay on my own pace and focus on my family."

THE
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THE OBJECT OF THE MONITOR IS
TO INJURE NO MAN, BUT TO
BLESS ALL MANKIND.
— Mary Baker Eddy

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'Incident' turns smelting image on its head

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THE PRESIDENT HAS SEEN

11-13-99

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WEEKLY ECONOMIC BRIEFING OF THE PRESIDENT OF THE UNITED STATES

Prepared by the Council of Economic Advisers
with the assistance of the Office of the Vice President

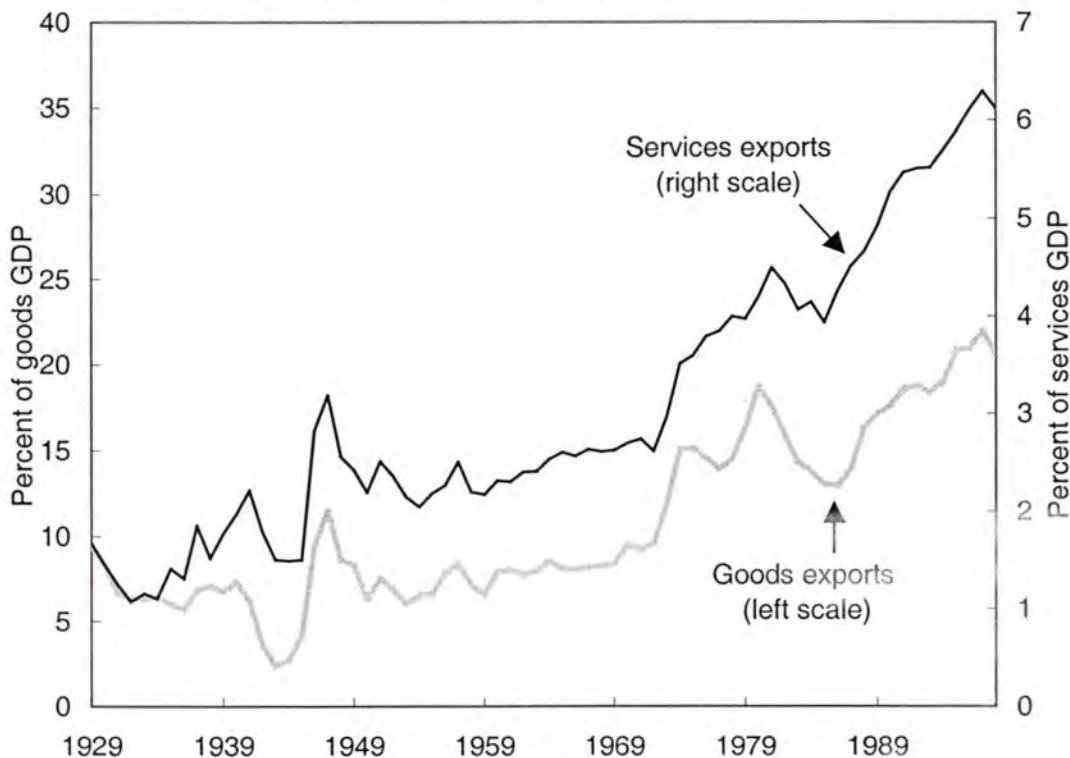
November 12, 1999

*Copied
Bailey
Podesta*

*pg 6
Jennings
Podesta*

CHART OF THE WEEK

Goods and Services Exports as Share of Sector GDP



For both goods and services, exports have grown much faster than output, especially in the last decade. For services, which include travel and transportation, telecommunications, education, and a variety of financial and business services, exports were more than 50 percent greater as a share of services GDP in 1998 than they were in 1985.

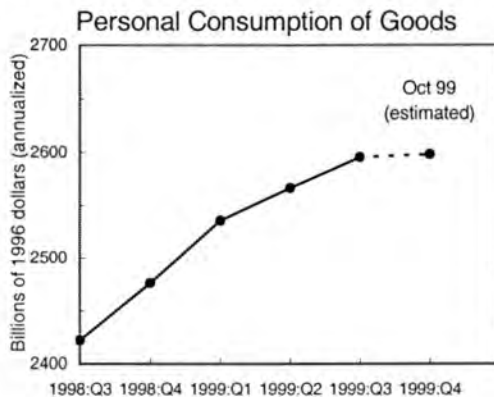
MACROECONOMIC UPDATE

Fourth Quarter Starts Out Strong

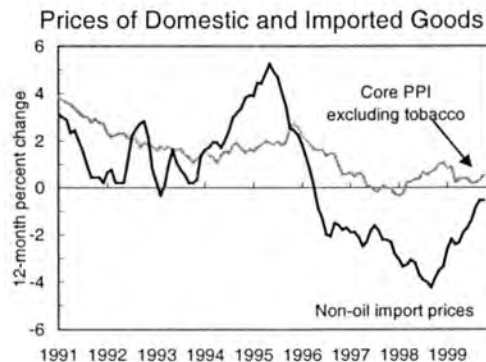
Macroeconomic forecasters (on average) are expecting the economy to grow at about a 4 percent annual rate in the fourth quarter. This rate is consistent with October's strong labor market and may reflect expectations of extra inventory accumulation aimed at creating a buffer against possible Y2K disruptions.

Jobs. The jump in payroll employment of 310,000 in October showed that the labor market remains very strong and that the anemic September job growth was probably attributable to Hurricane Floyd. Weekly data on initial claims for

unemployment insurance suggest that demand for labor remained strong through the first week of November.



Spending. Personal consumption of goods thus far in the fourth quarter appears to have slowed substantially from the pace of earlier quarters (see upper chart). Motor vehicle sales dropped in October for the second consecutive month, but 1999 is still likely to be the best sales year on record. Spending on other goods has posted sizable gains in the past 3 months—though October's gain was smaller than that of the past 2 months



Inflation. Strong productivity growth and falling non-oil import prices have held inflation in check for the past 4 years. Productivity, which increased 2.9 percent over the past 4 quarters, remains as strong as ever. However,

import prices are no longer falling sharply, possibly because of a resurgence of growth abroad. Prices of imported oil dropped sharply in 1998 but rebounded dramatically in 1999. Falling prices of non-oil imports had restrained the pricing power of domestic goods producers (illustrated by the core PPI excluding tobacco in the lower chart). Non-oil import prices fell through April but have been roughly flat since then.

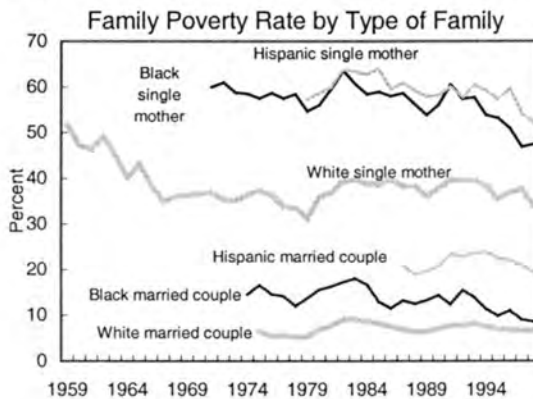
Conclusion. The economy appears to be growing strongly in the fourth quarter. With continued tight labor markets and the change in the import price environment, continued strong productivity growth appears to be the key to keeping inflation tame in the coming year.

11-13-99

SPECIAL ANALYSIS**Poverty and Family Structure**

The good news is that ~~in 1998 the poverty rate among female-headed families with children under age 18 was the lowest it has been in data that go back to 1959.~~ The bad news is that it was still ~~38.7 percent.~~ This rate stands in marked contrast to the 6.9 percent poverty rate among married-couple families with children. The question naturally arises whether encouraging families to form and stay together could significantly reduce the overall poverty rate.

Trends. Whether white, black, or Hispanic, married-couple families with children under age 18 have much lower poverty rates than single-mother families



(see chart). Although black and Hispanic rates have come down in recent years, they remain higher than those of whites in each family type. Nevertheless, it is noteworthy that the poverty rate for black married-couple families with children (about 40 percent of all black families with children) fell to 8.6 percent in 1998. This rate is close to the rate for whites of 6.6 percent.

Why are single-parent rates higher? A one-parent family typically has less earning capacity than a two-parent family simply because it has fewer potential adult earners. Moreover, single mothers who work often earn less than adult men in married-couple families, because less-skilled women typically have much lower earnings than less-skilled men. Single parents might also be seriously limited by parental responsibilities and child-care availability as to when and how much they can work. Finally, married-couple families can benefit from economies of scale in living costs. For example, the income required to keep two single-parent-with-one-child families out of poverty is almost \$6,000 greater than the income required to keep a married couple with two children out of poverty, according to the current official poverty thresholds. *

Selection issues. People who become single parents may also have different characteristics from those who marry and stay married, and these differences may increase the likelihood of adverse economic outcomes. In the case of teenage mothers (the majority of whom are unmarried), for example, recent evidence suggests that factors other than the disruptive effects of having a child at a young age (such as family background) may explain a large portion of why teenage mothers fare worse economically than young women who delay their childbearing.

Race differences. Racial and ethnic differences in the proportion of single mothers who have never been married or are divorced can explain some of the disparity in poverty rates across racial and ethnic groups. In particular, 63 percent of black female family heads have never been married, compared with 28 percent for whites; only 17 percent are divorced, compared with 44 percent for whites. This means they are likely to receive fewer resources from fathers. In 1993, for example, never-married mothers were less likely to have a child support award than divorced mothers (44 percent versus 73 percent) and, if they actually received support, it was a much smaller amount (\$1,700 versus \$3,600).

Policy implications. The benefits of marriage and raising children with two parents are clear and can be seen in this comparison of poverty rates. Unfortunately, research suggests that the reasons for high poverty rates among single mothers reflect more than just the absence of a spouse. Addressing these underlying problems would seem to be an important complement to policies aimed at discouraging out-of-wedlock births and encouraging families to stay together. That said, efforts to improve paternity establishment and child support enforcement can play an important role in providing greater resources to single-parent families.

ARTICLE**What Comes Next in the Microsoft Case?**

Last Friday Judge Thomas Penfield Jackson released findings of fact in the antitrust case against Microsoft. The next scheduled step is the issuance of conclusions of law, followed if necessary by the determination of appropriate remedies. It is possible that the parties could negotiate a settlement at any time in the process.

Findings of fact. Judge Jackson found that Microsoft had monopoly power in the manufacture of operating systems and that it used that power to preserve its position by forestalling competition. He found that an operating system, such as Windows 98, includes a collection of programs called Application Product Interfaces (APIs), designed to provide other programs with a means of interacting with the computer's hardware. He concluded not only that Microsoft was the major supplier of these APIs but also that the company tried to prevent other companies from developing their own APIs or programs that might perform similar functions.

Effects on competitors. Judge Jackson cited numerous instances in which Microsoft leveraged its monopoly status to the detriment of competitors, including ones involving Sun's Java, Netscape's Navigator, IBM's OS2, and Intel. In the mid-1990s, for example, Intel developed new PC microprocessor features that it felt Microsoft's Windows did not fully support. Intel decided to write its own interface programs to allow software developers to access these advanced features. The Judge found that Microsoft, in order to prevent Intel's entry into the API market, pressured major computer manufacturers not to install the software and threatened not to support Intel processors in subsequent versions of Windows unless Intel stopped developing interface software. Faced with such pressure, Intel relented.

Effects on consumers. Judge Jackson found that Microsoft's actions had serious and far-reaching impacts on consumers besides limiting access to new hardware features. First, by unnecessarily tying its Web browser Explorer to Windows, Microsoft forced all manufacturers to ship computers with this browser. This forced businesses and consumers who did not want to use Explorer to incur the cost of using an operating system that was unnecessarily slow and took up more storage space than one without a browser. Similarly, the Judge concluded, Microsoft forced consumers to use overly complicated technology by preventing software manufacturers from adding software that eased consumers' introduction to their new computers. What the judge found most problematic, however, was that Microsoft deterred other companies from producing any software that could intensify competition against one of its core products by developing a reputation for punishing such efforts.

Next steps. Judge Jackson has ordered the parties to file memoranda of law with respect to the conclusions of law that the Court should draw. He further ordered that these memoranda should *not* address the subject of remedy, or injunctive relief, which will be addressed in a separate briefing if warranted. The current schedule calls for the Judge to have these memoranda of law by January 31, 2000.

The issue of remedy thus remains speculative at this point. However, remedies in antitrust cases typically fit into two basic categories:

- Structural remedies such as the AT&T divestiture try to eliminate monopoly by breaking firms with monopoly power into pieces. In the case of AT&T, the settlement separated the long-distance company from the local telephone companies, removing any ability for AT&T to use monopoly control of the local market to limit competition in the long-distance market. Some have argued that a break-up of Microsoft might not resolve the underlying competitive problem identified by the Court, because separation of the applications segment of the company (word processors and spreadsheets) from the operating system market would not end the monopoly in the latter.
- Behavioral remedies would require Microsoft to abandon problematic business practices without changing the structure of the company. Behavioral remedies in the Microsoft case might include providing universal access to technical specifications, requiring uniform pricing, or separating the browser functions from the operating system. It remains a question, in light of the findings of fact, whether such behavioral remedies would work if Microsoft is allowed to retain its monopoly in the operating system market, because the company would still have an incentive to deter future entry and because no list of prohibited activities could ever be exhaustive. In fact, in the consent decree from Justice's previous suit against Microsoft, Microsoft agreed to avoid specific contractual relationships with manufacturers and to avoid using other exclusionary practices that achieve similar effects.

Conclusion. The Court found that Microsoft has monopoly power, which it has used to forestall competition. If the Court subsequently rules that Microsoft has violated the antitrust laws, the design of appropriate remedies will involve complicated economic and legal considerations.

THE PRESIDENT HAS SEEN

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BUSINESS, CONSUMER, AND REGIONAL ROUNDUP

Study Examines Medicaid Enrollment Decline. National Medicaid enrollment for low-income children and their parents declined by 2 percent in 1996 and by an estimated 3 percent in 1997, despite program eligibility expansions in many states and enhanced Federal funding through the Children's Health Insurance Program (CHIP). A recent study investigated these declines by examining Medicaid eligibility policies and operations in five states—California, Colorado, Florida, Minnesota, and Wisconsin. The study found that policy changes from Federal legislation, state decisions, and litigation have created complicated Medicaid eligibility rules that are often difficult for applicants, beneficiaries, and staff to understand. States' automated eligibility determination systems (which handle applications for Medicaid, welfare, and food stamps) were also found to be inadequate because they were designed to meet welfare, not Medicaid, needs. The study concludes that, along with better outreach, states should reassess their Medicaid eligibility requirements and systems to make them more efficient, accessible, and understandable. It also urges better coordination between welfare and Medicaid systems so that families who leave welfare understand the availability of Medicaid coverage.

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Racial Differences in Sources of Small Business Financing. According to a recent study examining small businesses in two ethnic Chicago neighborhoods, the start-up capital in black-owned businesses was an estimated 46 percent less than that in comparable Hispanic-owned businesses. However, the amount of personal funding used to start businesses was roughly the same for black and Hispanic owners after adjusting for business and individual characteristics other than race. Although they were unable to estimate precise numbers for other sources of funding, the authors inferred from their data that the smaller amount of start-up capital for black owners may reflect a lack of access to informal capital (such as loans and gifts from family, friends, and business associates). The authors argue that the apparent importance of informal sources of funding suggests that it is worth exploring ways to combine the presumed flexibility and informational advantages of informal networks with the formal sector's ability to raise capital—perhaps through community development financial institutions and micro-lending pools.

Economic Conditions Have Helped Lower Juvenile Crime. According to a new study, declines in the unemployment and poverty rates between 1993 and 1996 explain 28 percent of the reduction in juvenile crime during the period. The study uses nationally representative data on over 16,000 high school students in 1995 to estimate the effect of personal, family, and neighborhood characteristics—as well as deterrence measures such as police spending and arrest rates by county—on juveniles' propensities to commit crime. It then uses these results to estimate how the decline in unemployment and poverty rates have affected juvenile crime. The study concludes that juveniles respond to both incentives and sanctions, and that employment opportunities, increased family income, and more strict deterrence are effective tools to reduce juvenile crime.

INTERNATIONAL ROUNDUP

Europe Tightens Monetary Policy. Amid signs that European growth is strengthening, the European Central Bank (ECB) raised interest rates by 0.5 percentage point last week, bringing the main refinancing rate to 3 percent. This was accompanied in London by the Bank of England's raising rates by 0.25 percentage point to 5.5 percent. The ECB's decision reversed the rate reductions made in April and reflected a view that the balance of risks had shifted toward higher inflation—though it is worth noting that the euro-zone unemployment rate was 10 percent in September and consumer prices were only 1.2 percent higher than a year earlier. The rate hike appears to be motivated by a desire to keep inflation expectations safely below the ECB's target ceiling of 2 percent per year.

New Venture Launched to Fight Malaria. In a first for international public health, public agencies and the private sector recently joined together to create a unique organization to develop anti-malarial drugs that would not otherwise be brought to market. The World Health Organization (WHO), the International Federation of Pharmaceutical Manufacturers Associations, and the World Bank are among the sponsors of the partnership—dubbed the Medicines for Malaria Venture (MMV). The MMV aims to register, on average, one new anti-malarial drug every 5 years. According to the WHO, about \$150 million will be required to bring each new drug to market and make it accessible. The pharmaceutical industry will complement this financial outlay with “in kind” support, such as access to chemical libraries. An estimated 300 to 500 million malaria cases are contracted worldwide each year, resulting in one million deaths. The direct and indirect costs of malaria in sub-Saharan Africa exceed \$2 billion per year, according to one estimate.

Unrealized Hopes in Transition Economies. Hopes that privatization in transition economies would create the foundation for improved governance and transform the ties between the state and firms have not been fully realized, according to the European Bank for Reconstruction and Development's *Transition Report 1999*. Rather, enterprises in these economies spend considerable resources lobbying state officials, paying bribes, and adjusting to state interference. In return, enterprises receive benefits in the form of subsidies, soft finance, preferential tax treatment, and the tolerance of arrears. A survey of 3,000 firms in 20 transition economies confirms that corruption is a major problem in these countries, particularly for small businesses. Thirty-seven percent of small enterprises report paying bribes frequently, compared with only 16 percent of large enterprises. The average bribe paid by small firms is also higher, absorbing 5.4 percent of annual revenues, nearly double the 2.8 percent paid by large firms. New firms also tend to pay higher bribes. The average “bribe tax” is generally higher in the Commonwealth of Independent States (5.7 percent of company revenues), than in central and eastern Europe (3.3 percent). The report also finds that privatized firms pay a bribe tax similar to that paid by state-owned firms.

RELEASES THIS WEEK

Productivity

Nonfarm business productivity rose at an annual rate of 4.2 percent in the third quarter. Manufacturing productivity rose 3.4 percent.

Retail Sales

Advance estimates show that retail sales were unchanged in October following a decrease of 0.1 percent in September. Excluding sales in the automotive group, retail sales rose 0.5 percent following an increase of 0.6 percent.

Producer Price Index

The producer price index for finished goods fell 0.1 percent in October. Excluding food and energy, producer prices rose 0.3 percent.

MAJOR RELEASES NEXT WEEK

Industrial Production and Capacity Utilization (Tuesday)
Consumer Prices (Wednesday)
Housing Starts (Wednesday)
U.S. International Trade in Goods and Services (Thursday)

U.S. ECONOMIC STATISTICS

	1970- 1993	1998	1999:1	1999:2	1999:3
Percent growth (annual rate)					
Real GDP (chain-type)	3.0	4.6	3.7	1.9	4.8
GDP chain-type price index	5.2	1.1	2.0	1.3	1.0
<u>Nonfarm business (NFB) sector:</u>					
Productivity (chain-type)	N.A.	3.1	2.7	0.6	4.2
Real compensation per hour:					
Using CPI	N.A.	3.9	2.8	1.2	2.2
Using NFB deflator	N.A.	4.7	2.9	2.9	4.4
Shares of Nominal GDP (percent)					
Business fixed investment	11.4	12.5	12.6	12.6	12.8
Residential investment	4.5	4.2	4.4	4.5	4.4
Exports	8.2	11.0	10.7	10.7	10.9
Imports	9.2	12.7	12.9	13.4	13.9
Personal saving	6.6	2.6	2.2	1.8	1.5
Federal surplus	-2.8	0.5	1.1	1.3	N.A.
	1970- 1993	1998	August 1999	September 1999	October 1999
Unemployment Rate (percent)	6.7**	4.5**	4.2	4.2	4.1
Payroll employment (thousands)					
increase per month			129	41	310
increase since Jan. 1993					19794
Inflation (percent per period)					
CPI	5.8	1.6	0.3	0.4	N.A.
PPI-Finished goods	5.0	0.0	0.5	1.1	-0.1

**Figures beginning 1994 are not comparable with earlier data.

New or revised data in **boldface**.

FINANCIAL STATISTICS

	1997	1998	September 1999	October 1999	Nov. 10, 1999
Dow-Jones Industrial Average	7441	8626	10714	10397	10598*
* The close on Nov. 11 was 10595					
Interest Rates (percent per annum)					
3-month T-bill	5.06	4.78	4.68	4.86	5.05
10-year T-bond	6.35	5.26	5.92	6.11	6.00
Mortgage rate, 30-year fixed	7.60	6.94	7.82	7.85	7.67
Prime rate	8.44	8.35	8.25	8.25	8.25

INTERNATIONAL STATISTICS

Exchange Rates	Current level November 10, 1999	Percent Change from	
		Week ago	Year ago
Euro (in U.S. dollars)	1.044	-0.0	N.A.
Yen (per U.S. dollar)	104.6	0.1	-14.9
Major currencies index (Mar. 1973=100) (trade-weighted value of the U.S. \$)	92.56	0.2	-1.8

International Comparisons ^{1/}	Real GDP growth (percent change last 4 quarters)	Unemployment rate (percent)	CPI inflation (percent change in index last 12 months)
United States	4.1 (Q3)	4.1 (Oct)	2.6 (Sep)
Canada	3.7 (Q2)	7.5 (Sep)	2.5 (Sep)
Japan	0.9 (Q2)	4.7 (Sep)	-0.2 (Sep)
France	2.1 (Q2)	11.0 (Sep)	0.7 (Sep)
Germany	0.6 (Q2)	9.1 (Sep) ^{2/}	0.6 (Sep)
Italy	0.8 (Q2)	12.1 (Apr)	1.8 (Sep)
United Kingdom	1.8 (Q3)	5.9 (Jul)	1.1 (Sep)

1/ For unemployment data, rates approximating U.S. concepts as calculated by the U.S. Department of Labor, Bureau of Labor Statistics.

2/ Rate for unified Germany.

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11-13-99

THE WHITE HOUSE

WASHINGTON

November 12, 1999

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MEMORANDUM FOR THE PRESIDENT

FROM: GENE SPERLING

SUBJECT: NEC WEEKLY REPORTS

cc: JOHN PODESTA

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try to get it out

Student Loan Index/Commercial Paper: Last week you asked about the proposed changes in the formula for subsidies for companies that make student loans. As you know, the student loan rates are indexed to T-bills. Lenders would like to change the index to commercial paper, because it protects them from the risk of widening spreads in T-bill rates and the rates that they pay to finance themselves – commercial paper and LIBOR. Some lenders (SALLIE MAE, for example) pay a premium in the market to “swap” this basis risk, at a cost of at least 20 basis points. Lenders have proposed to transfer this risk to the government. A Study Group authorized by the Higher Education Act rejected this proposal. The government members of the Group (Treasury and Education) opposed the lender’s proposal as did the student advocates and other higher education groups. Faced with this opposition, the lenders went to the Congress to try to achieve their ends. With the help of bipartisan support on the House side (Goodling, McKeon, Clay and Martinez), an amendment to change the student loan index to commercial paper was added to the Work Incentives Improvement Act (WIIA). The amendment scored as a saving (\$20 million), but that savings does not reflect the risk being taken on by the government. Treasury and Education estimate that as a result of this change, lenders could receive a windfall of \$1.7 billion (\$692 million for Sallie Mae alone). Treasury, Education, student groups and others have been working hard to encourage the Conferees of WIIA to drop the provision. This offset (as well as other objectionable offsets) have become controversial on this otherwise popular piece of legislation. Many disabilities groups (WIIA supporters) have raised objections about this and other offsets. The underlying bill now remains stalled pending negotiations to address the offset issues.

7

Social Security: On Tuesday Secretary Summers testified at the House Ways and Means hearing on your “Strengthen Social Security and Medicare Act of 1999.” The other witnesses were CBO Director Crippen and GAO Comptroller Walker. Secretary Summers emphasized that the key to your plan is continuing our fiscal discipline and ensuring that the benefits from that fiscal discipline are used to extend the life of Social Security. Most all Democratic members made statements that were very supportive of the proposal. The Republican members were uniformly critical, arguing that the plan did not extend solvency to 2075, expressing skepticism about the transfers (even though the transfers in the Archer-Shaw proposal are even larger), worrying about the fact that gross debt was not being paid off, and stating that any Social Security plan should include individual accounts. Many of the Republican members, including Chairman Archer, felt that the Archer-Shaw proposal to transfer money into individual accounts should be the starting

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point for future negotiations on Social Security. Archer stated that he would be submitting legislative language for his proposal soon. Crippen's critique of your proposal was extremely biased, refusing to credit it for serious steps to pay off the debt, while (incorrectly) claiming that your proposal is purely accounting. Walker was very positive about your establishing a long-term framework of fiscal discipline that devoted substantial resources to debt reduction, but he was a little skeptical of the specific transfer mechanism and raised the question that extending solvency in this way could undermine the pressure for "real" reform later.

Bankruptcy Bill: This week, the Senate resumed debate on the bankruptcy bill although much attention was devoted to non-bankruptcy issues. On specific bankruptcy provisions, despite the efforts of the administration and congressional Democrats, the Senate rejected many of the Democratic amendments regarding predatory lending, credit card solicitation of kids, and greater protections for children and families. They did, however, at our urging, accept a cap on state homestead exemptions (which allow wealthy debtors to shield assets from creditors), but there is still a chance that it could be dropped in conference. The Senate also adopted an agreement between Senators Sessions and Reed (based on an Administration proposal) to provide protections for debtors against coercive practices that force debtors to reaffirm debts they are entitled to discharge. Currently, consumer groups are nervous that some of the language may be more problematic than the Justice Department original thought so we are working to get some further technical clarifications. Hopefully, this will be an area where we can claim the agreement as a win for consumers. Finally, in exchange for an agreement to cut off debate, Democrats hope to win a short list of additional changes. Although these would not make the bill ideal, the changes would be quite helpful to show that some improvements were accomplished.

Bankruptcy Bill As A Vehicle: As you know, the agreed upon procedure to bring the bankruptcy bill to the floor was to use it as a vehicle for non-related amendments. In this regard, on Tuesday, the Senate rejected the Democratic minimum wage/tax package (50-48) and adopted the Republican "business costs" minimum wage/tax package (54-44). This package does exactly what the SAP said would provoke a veto: delays the wage increase, repeals overtime protections, and adds a \$75 billion unpaid-for tax-cut that threaten fiscal discipline and direct benefits away from working families. On Wednesday, the Senate passed (50-49) a Hatch amendment increasing powder cocaine penalties and providing for vouchers for victims of drug crimes and school violence. (We opposed but did not threaten to veto on the drug amendment.) The Senate is scheduled to vote on Wednesday morning on including a version of the Teacher Empowerment Act, which DPC says would eviscerate your class size reduction program. It is unclear if the budget agreement on class size will deter Senator Gregg from offering his amendment. On Capitol Hill, there is speculation that although some Democrats feel compelled to vote for the package to show their support for bankruptcy, they are expecting the non-germane amendments to be dropped in conference. If these amendments are not dropped, it is unclear what Democrats would do, but a veto could be a very viable option. We are working with Legislative Affairs to develop a strategy.

FAA Bill/ATC Reform: My staff will begin an interagency process next week to consider how the Administration can achieve fundamental air traffic control reform next year as part of the FAA reauthorization bill. As you may know, Congressional efforts to agree on a FAA reauthorization bill appear to be dead for the year. Early in the week, compromise on the difficult financing issue seemed likely, when Sen. Lott promised Rep. Shuster that the FAA

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could spend all aviation trust fund receipts plus interest and offered to exchange a "side letter" with Rep. Hastert committing the leadership to get an additional \$1+ billion of the general fund. However, on Wednesday night, the talks broke down over the issue of Passenger Facility Charges (PFCs), when Shuster insisted on allowing local airports to go above the current \$3 per passenger cap, and Sen. McCain refused to go along with what the National Taxpayers' Union opposes as a tax increase -- the Administration's bill proposed lifting the cap on PFCs.) The Senate immediately passed a 6-month extension of the Airport Improvement Program, which provides airport grants, but the House will resist the extension, so as to keep the pressure on the Senate to reach an agreement early next year.

Digital Signatures: The House passed by an overwhelming margin (356-66) "digital signatures" legislation that would ensure that contracts formed electronically can be legally binding, despite an Administration veto threat. Unfortunately, the bill also will allow consumers to waive their right to receive paper versions of essential notices, disclosures, warranties and other records with a click, in circumstances where it may be far too easy for the unscrupulous to coerce consumers. We supported an alternative (that has bipartisan support in the Senate) that only deals with the contract formation issue; but banking interests teamed with high tech lobbyists to oppose that effort as inadequate in the Senate. We are working with OVP, Leg Affairs, Commerce, Treasury, and HUD to develop a strategy to get some consumer protections added during conference, expected early next year.

Seattle WTO: All-day negotiating sessions continue in Geneva. We expect a revised draft declaration to be released at the end of next week (around November 19th) so that it can go back to capitals in time for consideration prior to Seattle. Secretary Glickman is headed to Geneva on Monday in an effort to move the agricultural negotiations forward. We will have a roll-out of our environmental policy statement next week and expect a favorable reaction from many of the mainstream environmental groups. We continue to coordinate with the EU on a joint developing country statement/proposal and expect to have this cemented by next week as well. NEC deputies met Friday (Nov. 12th) and Principals will meet at least three times in the next two weeks to finalize strategy.

EU Hushkit Regulation: Dorothy Robyn on my staff will chair an NEC deputies meeting next week (the third in a month) on the "hushkit" issue. As you know, last April the EU adopted a regulation that violates international noise standards but suspended it for a year to allow for accelerated talks on a next-generation standard within ICAO (International Civil Aviation Organization). We have insisted that the EU repeal the regulation altogether before it is scheduled to take effect on May 4, 2000. The EU says that, while continued suspension is feasible, repeal is out of the question until we have reached agreement on a new noise standard. Recently, the US and EU discussed indefinite suspension as a possible alternative to repeal. But, even if the EU could agree to indefinite suspension (which is uncertain), affected US companies made clear to us this week that they would not support that approach because they see it as surrender on an issue of principle (the integrity of ICAO's standards). Rather, industry wants the US to challenge the regulation under the major treaty that governs international aviation. Although there is great sympathy for our position within ICAO, which would hear the case, the State Department among others opposes such a case for fear it would harden positions on both sides. Because of the European Parliament's schedule, the Administration needs to decide in the next week whether to pursue indefinite suspension, an ICAO case, or some other option.

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EU Bananas Regime: On November 10th, the EU Commission issued a plan to revise their WTO-inconsistent banana regime in an effort to end the annual retaliation of \$191 million we impose with WTO authorization. While USTR will prepare a more detailed response, we have stated that the revised plan is still inconsistent with the WTO. Under the plan, the EU would maintain a TRQ system (that includes auctioning licenses for part of the quotas) until 2006 at which time they would shift to a single-tariff system. We have always preferred a single-tariff system. We believe that such a system is the best way to ensure WTO consistency and can be devised in a manner that still protects the most vulnerable Caribbean producers. However, a six-year transition period to such a system is way too long (Dole suggested over the summer that they might be able to accept a short, two-year transition period). The EU has, in essence, already had a six-year transition period since their banana regime was first held inconsistent with their international trade obligations under the old GATT dispute settlement system in 1993. However, the EU could also devise a TRQ system consistent with their WTO obligations, but their revised plan continues to suffer from WTO inconsistent features. First, the tariff preferences within one of the quotas is so high as to effectively exclude Latin American bananas. Second, USTR continues to believe (along with Dole and Chiquita) that auctioning licenses is WTO-inconsistent. The EU has indicated that the door is still open to negotiations prior to the EU parliament considering the plan and, as you know, Commission President Prodi stated at the time of his visit late last month that he was optimistic a negotiated settlement could be reached prior to ~~Seattle~~.

Try to RESOLVE soon

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THE WHITE HOUSE

WASHINGTON

November 12, 1999

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Podesta

MEMORANDUM FOR THE PRESIDENT

FROM: Bruce Reed
Eric Liu

SUBJECT: DPC Weekly Report

1. Education – Teachers and Class Size Agreement. We wanted to provide details on the teacher quality provisions of Wednesday's agreement to dedicate \$1.3 billion for class size reduction. Under the deal, teachers hired through the program must be certified in their state or have completed an alternative route to certification, must have a baccalaureate degree, and must know the subjects they are teaching and demonstrate the skills to teach them. Districts may spend up to 25 percent of the funds (up from 15 percent last year) on training existing teachers, testing new teachers, or providing high-quality professional development. Districts with high levels of uncertified elementary school teachers also may seek a state waiver in some circumstances to use additional funds to help those teachers meet certification standards in time for the 2001-02 school year. The deal preserves existing provisions to target spending on high-poverty communities.

2. Health Care – Medicare Provider Reimbursement. As you know, we reached tentative agreement with Congress Wednesday on provider "give-back" legislation. The agreement includes about \$11 billion over five years for hospitals, nursing homes, home health agencies, community health centers and other providers. Two key improvements are worth noting: an out-of-pocket limit on hospital outpatient cost-sharing, equal to the current inpatient limit of \$780; and, for beneficiaries needing immunosuppressive drugs after an organ transplant, an extension of coverage for six months beyond the current three-year provision. The agreement is contingent upon our approval of final statutory and administrative language.

3. Health Care – Jeffords-Kennedy Update. The funding impasse over this bill continues. Some Republicans, fearing that they may be blamed if the bill fails, are attacking the Administration for not providing additional offsets. In fact, we have proposed numerous offsets that Republicans have rejected. We have been constrained too by a unanimous consent agreement in the Senate prohibiting tax offsets, as well as by a message from Republican leaders that Medicare and Medicaid offsets are unacceptable. There is such frustration with the GOP stance that some members of the disability community, with Sen. Kennedy's blessing, have called for a veto. We will make one last push over the next week to finance and fix this bill.

4. Health Care – Organ Allocation. On Wednesday, we reached agreement with Congress permitting the release of the long-awaited regulation requiring organs to be distributed

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on a "sickest first" basis. The regulation, which has been stalled for over two years, could save hundreds of lives a year. It will be implemented 42 days after enactment of the Labor-HHS bill.

5. Education – Kiryas Joel Village. You asked about efforts to help the Hasidic Jewish community of Kiryas Joel, New York establish a special public school district for disabled students. Because this case centers on the Establishment Clause rather than the Individuals With Disabilities in Education Act, it would be difficult for us to assist the village. The New York high court in recent years has struck down a number of state laws authorizing the village to form a special district; with each rebuff, the legislature has passed a new law re-crafted to pass constitutional muster. Under the latest such law, the village has already established a special school. Although another round of appeals is likely, there is bipartisan determination among state political leaders to find a solution satisfactory to the village.

6. Education/Crime – Bankruptcy Bill Amendment. This week, the Senate passed an amendment to the Senate bankruptcy bill that contains objectionable language on both education and drugs. The Hatch amendment, which passed 50-49, would establish vouchers for students in Title I schools who are victims of violent or drug-related crimes. In addition, it would narrow the disparity in penalties for crack and powder cocaine trafficking by sharply raising penalties for the latter. The amendment changes the threshold for mandatory cocaine penalties from 500 grams to 50 grams (5 year penalty) and from 5 kilograms to 500 grams (10 years). Our proposal, by contrast, would both increase powder cocaine penalties and modestly lower crack penalties. It is unclear whether there will be further action on the bankruptcy bill this session.

7. Crime – COPS Funding. As you know, this week we reached with Congress to provide over \$900 million of the Administration's \$1.27 billion request for the 21st Century Policing Initiative. Of the \$900 million provided, \$300 million is an unspent carry-over balance from FY 1999. The agreement will fully fund the first installment of our plan to hire and redeploy up to 50,000 more police officers over the next five years. In addition, the agreement provides \$230 million for law enforcement technology and \$10 million for community prosecutors (our budget requested \$350 million and \$200 million, respectively).

✓ **8. Welfare – Fathers and Welfare-to-Work.** On Wednesday, the House passed the Fathers Count Act by a broad bipartisan margin. The bill, co-sponsored by Reps. Johnson and Cardin, establishes new grants to promote responsible fatherhood, makes Welfare-to-Work eligibility changes that we had proposed to help states and communities better serve low-income fathers and long-term welfare recipients with existing funds, and revises penalties for states that have not yet complied with certain child support requirements. It does not contain additional funding for Welfare-to-Work for FY 2000. While the Senate will not act on the broader fatherhood issues this year, we are pushing for enactment of the Welfare-to-Work eligibility changes and the child support provisions before Congress adjourns.

9. Welfare – Research on People Leaving Welfare. Eight of the 13 states and counties that received HHS funding to study the impact of welfare reform have released interim reports on families who left welfare in late 1996 or early 1997. The employment, earnings, and recidivism findings from these varied sites are generally consistent with other "leavers studies." Between 50 and 65 percent of former welfare recipients were found to be working immediately

THE PRESIDENT HAS SEEN

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after leaving welfare. Between 65 and 75 percent were employed at some point during the year after exit, with average earnings in the quarter after exit ranging from \$2,185 to \$3,868 (the equivalent of \$5.65-\$10.00 an hour assuming a 30-hour work week throughout the period). In all sites, earnings for these former recipients steadily rose throughout the year following exit.

However, between 5 and 20 percent of leavers were receiving welfare again within three months, with 24 to 35 percent receiving welfare at some point during the year after exit.

Six of the HHS-funded studies also tracked Medicaid and food stamps enrollment of families leaving welfare. Medicaid participation varied greatly, ranging from 25 percent to 76 percent in the first quarter after exit, with a substantially higher percentage of leavers enrolled in Medicaid at some point during the year after exit. Enrollment generally declined over the year and was slightly higher for children than for adults. Food stamps enrollment in the first quarter after exit ranged from 9 percent to 57 percent, again with a much higher percentage receiving food stamps at some point during the year. The low-end outlier was San Mateo County, which may reflect higher welfare grant levels in California, where families are earning more when they leave welfare and are therefore less likely to be eligible for food stamps and Medicaid.

10. Child Support – Medical Support Orders. On Monday, HHS will announce a proposed regulation to make it easier for children to get health insurance coverage through their non-custodial parents. The regulation creates a standard medical support form to enforce child support agreements that require non-custodial parents to provide for their children's health care needs. The regulation will be released with a statement from you stressing the Administration's commitment to child support enforcement and better health insurance coverage for children.



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THE PRESIDENT HAS SEEN
EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL ON ENVIRONMENTAL QUALITY
WASHINGTON, D.C. 20503

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November 12, 1999

MEMORANDUM FOR THE PRESIDENT

CC: JOHN PODESTA

FROM: GEORGE T. FRAMPTON, JR. DSS for GTF Jr.

SUBJECT: CEQ WEEKLY REPORT

BUDGET

Mountaintop Removal

There continues to be a series of unfavorable press reports about Senator Byrd's mountaintop mining rider and criticism of the Administration's position on the rider. Last night, ABC news ran an unfavorable story following similar stories by CNN and other networks. Attached is a sampling of editorials from major papers and, notably, West Virginia's major daily. Many stories echo the complaint of leaders in the environmental community who argue that the Administration has yet to threaten a veto over this issue. We are working with Karen Tramantano to determine if discussions with the AFL-CIO might help us gain support for an approach that would avoid a showdown over Senator Byrd's proposal.

Commerce, Justice, State Appropriations

We have concluded our negotiations with Congress on funding for grants to states and tribes for Pacific coastal salmon recovery and for implementation of the Pacific Salmon Treaty. These important programs will be funded at \$83 million in FY 2000 (of \$160 million requested). We have also worked with Congress to rewrite objectionable language regarding implementation of the Endangered Species Act and the Pacific Salmon Treaty.

RESOURCE STEWARDSHIP

Conservation and Reinvestment Act

Earlier this week, the House Resources Committee approved a bipartisan bill, cosponsored by Representatives Young and Miller, that would dedicate nearly \$3 billion a year in offshore oil revenues for the acquisition of environmentally sensitive lands by federal, state and local governments. In some ways, the bill is similar to your Lands Legacy proposal. However, there are key differences. First, your proposal is fully paid for through a proposed financing mechanism similar to the one used for the highway trust fund, while the House bill is not paid

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for. Second, the House bill dedicates a disproportionate amount of the state funding to coastal states, presumably to compensate them for the impacts of offshore oil drilling. We favor a more equitable and flexible distribution among states and localities. Finally, the House bill places restrictions on federal land acquisition that we would oppose.

California Offshore Oil Leases

On August 13, the Department of Interior (DOI) sent a letter to the California Coastal Commission announcing DOI's decision to cancel four offshore oil leases and to continue a suspension of 36 existing leases for 90 days. DOI continued the suspension in order to seek additional information from oil companies on their exploration plans to determine if the oil companies need to submit new plans, in light of changes in the environment and the law. In August, Governor Davis, the California Congressional delegation and environmentalists praised the 90-day continuation.

On November 12, after collecting information from oil companies, DOI sent another letter to the California Coastal Commission communicating DOI's intent to require an environmental impact analysis of potential impacts associated with the companies' proposed development activities, in light of changed circumstances since approval of the original plans. DOI also said it would seek additional information from the companies to ensure full disclosure of their proposed development activities and that DOI would review these proposals in accordance with applicable laws and regulations. In order to complete the environmental and other reviews, DOI plans to continue the individual lease suspensions for approximately 19 to 45 months. DOI anticipates that the State and others will support its most recent proposal.

Pacific Salmon Recovery

Next Tuesday, the Department of Commerce/NOAA will release a working paper summarizing the options to recover threatened and endangered salmon runs in the Columbia and Snake Rivers. Specifically, this working paper addresses options in fisheries harvest, habitat improvement, hatchery management and hydropower configuration (the so-called "4 Hs" impacting salmon runs). The purpose of the "4 H" paper is to highlight the nature of hard choices that need to be made to address salmon recovery.

INTERNATIONAL LEADERSHIP

Environmental Review of Trade Agreements

Working with USTR, we have just finalized a draft Executive Order formalizing Administration policy on environmental reviews of international trade agreements. The order will resolve a decade-long policy debate and respond directly to one of the core criticisms of our trade policy from the environmental community. We would like to roll it out next week – during your trip to Europe – along with the rest of the Administration's trade/environment agenda for the WTO Ministerial.

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Environmental Sneak Attack

This is the time of year when members of Congress scramble to promote pet projects even if it means delaying adjournment. One new roadblock standing in the way of completing the federal budget is a last-minute effort by Senator Robert Byrd to attach a rider to one of the final spending bills that would favor strip mining in his home state of West Virginia. The White House, which has vowed to veto anti-environmental measures pushed by Republicans, has merely frowned on the Byrd rider. President Clinton should make clear that the administration does not have two standards, one for Republicans and one for powerful Democrats like Mr. Byrd, and that it will veto any bill to which the Byrd measure is attached.

The Byrd amendment would in effect overturn a decision by a federal judge in West Virginia that found that the state's mining companies, with the complicity of the federal government, had for years violated federal clean water and surface mining laws by dumping rock waste into valleys and streams. The judge, Charles H. Haden 2nd, stayed the decision pending appeal.

The ruling would not shut down existing mining

operations. But it could hamper them in the future by greatly limiting the areas where the companies can dump waste. The Byrd amendment would allow the dumping to proceed. The White House says that such an amendment is unnecessary while the judge's decision is being appealed. But that is less than a clear threat to veto the bill. Some environmentalists fear that Mr. Clinton is trying to placate Mr. Byrd, a party ally who stood by him during the impeachment battle. Mr. Byrd is also the senior Democrat on the Senate Appropriations Committee.

Other important budget disagreements remain. The administration is right to hold firm on its demand for money to help states hire teachers and police officers. Yet another stumbling block to adjournment is a Republican effort to hold the payment of back United Nations dues hostage to an agreement by the administration to withdraw support for aid to family planning groups abroad that lobby for changes in their countries' abortion laws. The White House should stand firm. But at the moment, its top priority is to make it clear that it will resist further encroachment on the nation's environmental laws.

LOS ANGELES TIMES EDITORIALS

Saving 'Heaven'

John Denver used to sing of West Virginia as "almost heaven." Except, perhaps, for the considerable portion of the state systematically wasted by a primitive form of coal mining known as "mountaintop removal." It's a simple concept and cost-effective: Blast away the top of a mountain with explosives, bulldoze the rubble into the nearest valley or stream and mine the exposed coal.

This hellish practice was outlawed by Congress in 1977 but continued virtually unabated until a federal judge ruled last month that a large number of mines in West Virginia were violating the law. Mine owners were stunned by the prospect of having to obey the law and claimed that the decision of Chief Justice Charles H. Haden of the U.S. District Court would put them out of business.

Miners are protesting the job loss that would occur if the mines were closed. However, as the state looks to its future, coal is unlikely to be the energy source chosen by new industries.

Now to the rescue comes Democratic Sen. Robert C. Byrd, the son of a coal miner, who has represented West Virginia in the Senate for more than 40 years. He has made his state a fiefdom of special privilege when it comes to federal funding. In 1989, Byrd gave up his majority leader's position in the Senate to take the job he really wanted, the chairmanship of the Appropriations Committee. There, he promised to become "West Virginia's bil-

lion-dollar industry." Byrd has more than delivered the pork, with projects such as an FBI office, an IRS center, a NASA research facility, a Fish and Wildlife Department training center and more.

He now is angling to attach a rider to a pending appropriations bill to overturn Haden's ruling. Byrd is teaming with Sen.

Larry E. Craig (R-Ida.), who has his own rider to allow the unrestrained dumping of thousands of tons of metal mining waste on federal and Indian lands in the West.

President Clinton has promised to veto any bill containing anti-environmental riders. But the administration at first indicated it would support Byrd's mining measure, obviously wary of affronting a powerful fellow Democrat who could cause Clinton considerable grief on any spending measure. After environmental groups expressed appropriate outrage, the administration appeared to equivocate.

This should not be a difficult question for Clinton, no matter how great his fear of Byrd's wrath. Eliminating or clogging streams and valleys with mining waste is blatantly against both the mining act and the Clean Water Act. It's appalling that this outlaw practice has been allowed to continue on such a broad scale, obviously with a wink from federal and state mining officials. The president should support the ruling and see that it is vigorously implemented as soon as the appeals process is completed.

The atrocious form of coal mining known as mountaintop removal must not be allowed to continue in West Virginia.

The Washington Post

Looking for Transport

THERE'S A lot of vehicle theft going on just now in Congress. With the clock running down, members and interest groups are on the lookout for popular bills to which to attach provisions that might not be able to withstand scrutiny on their own. The sponsors then threaten to use the shortness of time to block the underlying bills unless their provisions are accepted. The end-of-session chaos helps provide them cover.

Among the more egregious provisions now awaiting a ride is a proposal by the West Virginia delegation, led by Sen. Robert Byrd, to suspend the application of the clean water and other environmental statutes to a coal-mining practice called mountaintop removal. Mountaintops are blown apart, exposing coal, which is extracted. The debris is then bulldozed into the valleys below, where it often clogs streams in violation of the surface mining and clean water acts. A federal judge recently ordered a halt to the practice, then stayed his own order pending appeal.

Despite the stay, the delegation seeks through Sen. Byrd's position as the ranking Democrat on the Senate Appropriations Committee to add what would amount to a reversal of the judge's order to one of the remaining appropriations bills. The administration, initially sympathetic, now claims to be opposed to the rider. It shifted position in part under pressure from environmental groups and in part out of embarrassment, since the president has made a show of being opposed to about two dozen other riders mainly attached by Republicans to the Interior appropriations bill that would likewise have the effect of vitiating environmental law. They should all be vetoed; the coal rider is among the least deserving.

A proposal whose likely effect would be to sweeten the federal subsidy of some institutions making college student loans should likewise be rejected. It has been deftly added to a bill to make it easier for disabled people to go to work by letting them keep health care benefits they have to forfeit under current law. The Student Loan Marketing Association, a private company, is the principal sponsor, and critics say it would be the principal beneficiary.

Sallie Mae and other backers describe the bill as mainly a technical fix. But the Treasury says it would partly reverse a reform in the last Congress, "do nothing to make loans more affordable to students" and increase "the costs and risks to . . . taxpayers." The administration has thus far stopped short of threatening a veto on the issue, but it should. The lending industry ought not be allowed to hold hostage a bill for the disabled.

Not all the proposals looking for transport in these final days are bad. Community health centers were unwisely squeezed in a budget bill a couple of years ago and are in need of help for the good work they do, as are the nation's independent pediatric teaching hospitals. But most such proposals are far less worthy, and best left by the side of the road.

the Charleston Gazette

The State Newspaper

An Independent Newspaper Founded in 1873

Uneasy rider Clinton escapes hypocrisy

PRESIDENT Clinton owes U.S. Chief District Judge Charles Haden II a huge debt of gratitude.

Haden, by staying his ruling outlawing most valley fills, gave Clinton the excuse he needed to withdraw support for a legislative rider proposed by West Virginia's congressional delegation.

That support was making him look like the worst kind of hypocrite. He was threatening to veto a huge Interior appropriations bill because it contained unacceptable riders attached by congressional Republicans — unrelated legislative language designed to weaken laws and regulations protecting the environment.

Had Clinton continued to support the West Virginia rider, he would have had to explain why anti-environmental riders attached by Democrats were acceptable while Republican riders had to be vetoed.

It would have been a tough argument to make, and it could have cost Vice President Al Gore serious support among environmentalists, who have grown increasingly disenchanted with the Clinton administration anyway.

Miners also owe Haden their gratitude, though we doubt they'll express it. By staying his order, Haden made it impossible for the Underwood administration and the coal industry to use their jobs as hostages in the debate over the implications of Haden's ruling.

Underwood's Division of Environmental Protection insisted on applying Haden's ruling to existing permits, effectively shutting down operations that needed to extend valley fills which had already been permitted.

In his order staying his previous ruling, Haden called such interpretations

What's needed now is calm deliberation, and a thorough investigation of what Haden's ruling would actually mean to the coal industry.

"egregious misrepresentations" of his ruling.

He also noted that lawyers for the state and the coal industry had not met the legal burdens for him to stay his ruling. Haden decided to issue the stay anyway, in hopes of defusing the "shrill atmosphere" and "diminish irrational fears" promoted by Underwood and the industry.

West Virginia's congressional delegation should abandon efforts to insert a rider that would gut not only Haden's ruling, but much of the Clean Water Act and the 1977 Surface Mining Control and Reclamation Act.

What's needed now is calm deliberation, and a thorough investigation of what Haden's ruling would actually mean to the coal industry.

Haden ruled that valley fills could only bury "ephemeral" streams — those that are always above the local water table and flow only in response to rain or snow melt.

No one at the DEP or in the industry has determined how that could affect mining plans.

No one has tried to rewrite any current mining plans to see if surface mining could still be done economically under those restraints.

Judge Haden's stay gives the state time to take this calm, deliberative look at the issue.

It would be a crime to ignore the opportunity.

THE PRESIDENT HAS SEEN

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THE WHITE HOUSE

WASHINGTON

November 12, 1999

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MEMORANDUM FOR THE PRESIDENT

FROM: ROGER BALLENTINE

RE: OFFICE OF ENVIRONMENTAL INITIATIVES WEEKLY

Climate Change

Press, Science and Industry.

As part of a cover story on issues "Beyond 2000," *Time* magazine ran several stories on the environment. Included was an essay by author Mark Herdsgaard noting that the first step toward reducing global warming should be improving energy efficiency, which will be increasingly viewed by the private sector as a profit-making venture.

A *Financial Times* editorial on the last day of the Bonn climate conference strongly defended emissions trading as the best way to quickly and cheaply reduce greenhouse gas emissions and called on the EU to drop its insistence that, for the purpose of the Kyoto targets, a cap be placed on US emissions trading.

A study by the Union of Concerned Scientists found that increased temperatures over the next century could have a devastating effect on California, especially on water supplies for agriculture, according to reports in *The Los Angeles Times*, *San Francisco Chronicle* and other outlets. The study found that decreased snowfall at mid-elevations in the winter would mean less water would be available for irrigation during the dry summer months. Meanwhile, a regional assessment of climate change impacts devoted to the Pacific Northwest found that global warming will have a similar effect on snowpack in that region, the *Seattle Post-Intelligencer* reported, and could adversely effect salmon recovery efforts. This is the first regional report of an on-going national assessment, conducted by various labs around the country and partially funded by NOAA, to be ready for release in March or April of next year.

Legislative

The results of our current FY2000 climate change efforts are still not ideal. On the spending side, we are looking at a small increase over FY99. Unfortunately, this overall modest increase has been accompanied by an increase in anti-Kyoto riders and cuts below FY99 in some of the key climate change programs such as renewable energy. On the tax credit front, Treasury continues to engage with the Hill on the length of the extenders and whether and how they are paid for. Once these issues are resolved, the discussion will turn to which extenders to include in the package. We are concerned that the Roth bill's renewable energy credits may not survive.

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As discussed
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figuring out
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The "Knollenberg" rider prohibiting back door implementation of the Kyoto Protocol remains in both the Foreign Operations and the Commerce, Justice, State appropriations bills. Since the development of the mountaintop mining controversy, Senator Byrd has not helped to remove these riders. Again, however, we believe that we can interpret the language so as to render it largely harmless.

We remain in negotiations over the energy efficiency funding in the Interior appropriations bill. The conference report is \$125 million below your request. We requested an additional \$95 million, and the appropriators offered \$41 million. We pushed back, and the Hill is now at \$56 million. We will push for more.

Lands Legacy

The House Resources Committee this week passed OCS revenue-sharing/LWCF legislation worked out between Chairman Don Young (R-AK) and George Miller (D-CA). All Democrats voted for the legislation, while Republicans split 13-12. We do not expect additional House action this year.

As you know, we floated a proposal for permanent funding of the Land and Water Conservation Fund in the context of the Interior negotiations. Our proposal was not greeted favorably. Despite the fact that Senator Landrieu felt betrayed by our efforts, it is becoming clear that we will not be successful in achieving permanent funding this year, and that next year we will again work with the authorizing committees on legislation along the lines of her bill. Meanwhile, we continue to push for FY2000 funding. We asked for an additional \$250 million over the conference levels, and the Hill has offered an increase of a little over \$200 million. We will counter again.

cc: The Vice President
John Podesta
Martin Baily
Maria Echaveste
Steve Ricchetti
Charles Burson
George Frampton
Neal Lane
Joe Lockhart
Gene Sperling
Larry Stein
Jim Steinberg

Podesta
We won't get
them without help
from Landrieu & Byrd
We want a referral, we'll have
to deal w/ them - look at how
committee vote, w/ Miller in the lead -
ES



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF SCIENCE AND TECHNOLOGY POLICY
WASHINGTON, D.C. 20502

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November 12, 1999

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MEMORANDUM FOR THE PRESIDENT

FROM: NEAL LANE *neal*
CC: JOHN PODESTA
SUBJECT: OSTP WEEKLY REPORT

Air Force Briefing on Launch Failure Reviews

In May you requested the Secretary of Defense, in coordination with the Director of Central Intelligence and the NASA Administrator, to provide a 90-day interim report and a 180-day final report on the causes of the six space launch failures that occurred between August 1998 and May 1999 and the corrective actions needed to ensure our future access to space. DoD, through the Air Force, undertook a comprehensive review to develop recommendations on how to reduce such failures in the future and improve mission success. This review has taken into account the separate independent reviews completed by Lockheed Martin in September and by Boeing in October. On November 12, the Air Force presented a briefing to the White House staff on the status of the DoD review and the content of the report. However, the review will not be complete and releasable to the public until the final report is signed by the Secretary of Defense and delivered to the White House. We expect this to occur around Thanksgiving.

EPA Demonstrates New Technology Moving Us Closer to PNGV Goals

Gear!
X The EPA lab in Ann Arbor, Michigan recently demonstrated a technology that could make it much easier to reach the 80 mpg goal of your Partnership for a New Generation of Vehicles while also meeting the proposed tier 2 emission standards. The batteries used in the design of most hybrid-electric vehicles present major barriers to meeting PNGV's price and performance goals. The EPA system uses hydraulic fluids and pumps nearly identical to the ones that have been used on fork lifts and other commercial vehicles for decades to store braking energy. They have already demonstrated over 70 miles per gallon on a full-size test vehicle using a standard steel-frame and body and have every expectation of exceeding the 80 mpg goal using a standard steel-frame automobile within a year. If lightweight car-body parts being considered by the PNGV team become affordable, significantly higher fuel economy is possible. While many engineering questions remain, this unexpected technical breakthrough presents a real opportunity to meet PNGV goals with a simple, practical system that could be in volume production within five years. The accomplishments have been kept from the public eye, in part because two domestic manufacturers have now signed confidential commercialization agreements for the technology. There are obvious advantages to the company that is first to market, and we would very much like to have the domestic industry enjoy the competitive advantage that these vehicles could provide.

11-13-99

Meeting of the President's Council on Food Safety

On Wednesday, Secretaries Shalala and Glickman and I co-chaired a meeting of your Council on Food Safety. Substantial progress has been made in developing a comprehensive strategic plan for the federal food safety system. In addition, the Council has developed an action plan to reduce by 50% the number of salmonella-related illnesses associated with eggs. The Council will present the draft strategic plan to the public in mid-January and have the plan finalized by July 2000. Since your strong leadership on this issue has been one of the hallmarks of your Administration, the Council is exploring ways to ensure your food safety legacy.

Hypoxia in the Gulf of Mexico

A story today in the *Washington Times*, and recent stories in *Forbes*, *Newsweek* and on NBC News have reported that the White House is recommending that fertilizer use be reduced by 20% in the Mississippi River basin to control hypoxia in the Gulf. Reduction of fertilizer use was one of a number of approaches considered in a series of six technical reports evaluating various alternatives to reduce nutrient loads that were prepared for the NSTC Committee on Environment and Natural Resources (CENR). The six reports are the basis of a CENR integrated assessment on Gulf hypoxia, a draft of which is now out for public comment. The integrated assessment document does not make any specific recommendations, and is meant to characterize the size of the problem, not prescribe what the solution should be. The report identified a 20% cut in fertilizer use combined with an increase in wetland area of 5 million acres as the lowest cost approach to hypoxia reduction, which is being mischaracterized by the press as a "White House recommendation." We will work to correct these mischaracterizations.

Leonids Meteor Storm – Little Damage Expected

The Leonids meteor shower occurs every year in mid-November as the Earth passes through the dust left behind by comet Tempel-Tuttle. But approximately every 33 years – after the comet passes near the sun as it recently did – it can become a meteor storm, producing thousands of streaks of light in the night sky. On the nights of November 17 and 18 the event should produce a brilliant show, but DoD and NASA expect little damage to the some 600 satellites orbiting the Earth, as was the case last year. Nevertheless, as they have in the past, DoD and NASA have warned government and commercial satellite operators of the potential danger, and issued guidance on how to minimize the possibility of damage. During the peak of the storm, NASA will publish meteor counts every 15 minutes for use by DoD, NASA and commercial satellite operators. Worst-case scenarios may appear in the press due to fears of satellites being damaged, which could temporarily disrupt some paging services, TV, or other services relying on satellites.

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THE WHITE HOUSE
WASHINGTON

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11-13-99

November 12, 1999

MEMORANDUM FOR THE PRESIDENT

FROM: Mickey Ibarra
JF for ML

SUBJECT: Office of Intergovernmental Affairs Weekly Report – November 8-12, 1999

WTO

City and County Officials' Forum: On November 9, IGA and USTR met with King County representatives to prepare for the "Global Forum" for city and county elected officials. The forum, cosponsored by NACO and the U.S. Conference of Mayors, will take place on November 30 and December 1, 1999. We have invited 200 city and county officials to attend. The organizing committee requested that the Administration be represented at the forum.

Governors' Forum: NGA will host an International Trade Forum for governors on November 29, 1999. NGA is working closely with the Alliance for Trade on this forum. Governors, who are expected to attend, include Tom Carper (D-Delaware), Gary Locke (D-Washington), Tom Vilsack (D-Iowa), Christine T. Whitman (R-New Jersey) and Dirk Kempthorne (R-Idaho). NGA would like for Secretary Albright and Secretary Glickman to participate in the forum.

GOVERNORS

NGA Letter: NGA wrote to thank you for your leadership during the FY 2000 budget negotiations in helping to protect the Governors' priority programs, including Title XX/Social Services Block Grant (SSBG), Temporary Assistance for Needy Families (TANF), Medicaid, Children's Health Insurance Program (CHIP), child support, and education training programs. They also reiterated their adamant opposition to proposed cuts in funding for SSBG and any reduction in the percentage of the TANF block grant that states can transfer to SSBG.

Governor Hunt (D-NC): Governor Hunt continues to advocate for more appropriations in the FY 2000 budget negotiations. Jack Lew and Sally Katzen, at John Podesta's request, continue to address North Carolina's concerns.

STATE LEGISLATORS

West Virginia: IGA hosted a meeting for Speaker Kiss and Majority Leader Martin of the West Virginia Legislature with George Frampton. The West Virginia officials pushed for White House support for Senator Byrd's surface mining rider. George indicated that we are aware of the economic and political issues arising from the court decision prohibiting certain types of surface mining, but we are unlikely to support the Byrd proposal.

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MAYORS

Mayor Serna (D-Sacramento, CA): On November 10, I represented you at Mayor Serna's memorial service. The Serna family was very appreciative of your phone call and the letter I delivered on your behalf. The Vice President also spoke to Isabel by phone.

Mayor Daley (D-Chicago, IL): On November 9, Secretary Cuomo met with Maria Echaveste and me to discuss Mayor Daley's continuing concerns about the plan to overhaul the Chicago Housing Authority. Secretary Cuomo expressed his commitment to resolve this matter. We expect senior officials of HUD and Chicago to meet to discuss their plan next Thursday.

INSULAR AREAS

Vieques Bombing Practice: House Resources Committee Chairman Don Young (AK) opposed cutting benefits for Puerto Ricans and using force to secure the Vieques range. He stated that the Puerto Ricans' will should prevail with regard to Vieques and said that the islands' nonvoting status is the root of the Vieques problem. Additionally, Ranking Democrat George Miller (CA) and several House Democrats sent you a letter calling for a moratorium on Vieques bombing practice. *He's right*

Senate Readiness Subcommittee Chairman James Inhofe (OK), Armed Services Committee Chairman John Warner (VA), and Majority Leader Trent Lott (MS) proposed a Senate resolution calling for the resumption of target practice by the *Eisenhower* battle group early next month. The resolution, which is opposed by Senators Larry Craig (R-ID) and Daniel Moynihan (D-NY), is not expected to pass.

Puerto Rican leaders reacted angrily to Senator Lott's suggestion that funding proposals for Puerto Rico may be cut if Puerto Ricans continue to prevent use of the range. Lastly, Governor Pedro Rossello (D) was surprised to learn that Secretary Cohen would make a recommendation to you regarding Vieques without first talking to him, as the Secretary had earlier indicated he would.

Rum Tax Revenue: Senate Finance Committee Chairman Bill Roth (DE) agreed with House Ways and Means Committee Chairman Bill Archer (TX) to drop from the tax extenders package the provision transferring to Puerto Rico and the Virgin Islands for 18 months \$3 per gallon of the tax on rum not made in the States. Chairman Roth also agreed to drop from that legislation the extension to Puerto Rico of the Research and Experimentation Tax Credit.

OLYMPIC GAMES

At the invitation of General McCaffrey, I will participate with him at the International Summit on Drugs in Sport in Sydney, Australia on November 14 through 17. Our objective is to further international consideration of the independence, composition, and authorities of the World Anti-Doping Agency proposed by the International Olympic Committee. We are hoping to reach the required consensus in time for both the Sydney Olympic Games and the Salt Lake Olympic Games.

THE WHITE HOUSE

WASHINGTON

THE PRESIDENT HAS SEEN
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November 12, 1999

MEMORANDUM FOR THE PRESIDENT

FROM: THURGOOD MARSHALL, JR. **T.M.**
KRIS M. BALDERSTON

SUBJECT: Summary of Cabinet Weekly Reports
November 6 - 12, 1999

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DEPARTMENT OF TREASURY

- **Foreign Ops/Debt Relief:** Treasury is negotiating with Congressional leadership to include language in the foreign operations bill that would authorize IMF involvement in the Highly-Indebted Poor Countries debt relief initiative. On November 5, the House passed a bill increasing Treasury funding for debt relief, the International Development Association, the African Development Fund, the African Development Bank, the InterAmerican Investment Corporation, and the Community Assistance Investment Program. The bill is currently stalled in the Senate pending resolution of certain outstanding issues including ongoing debt relief negotiations.
- **Tax Extenders:** On November 9, Secretary Summers began negotiations with Congressional leaders to agree on a fully funded tax extenders bill. Enactment of this bill on a fully-funded basis is an Administration priority and is one of the key remaining issues between the Administration and Congress this year.
- **Turkey:** On November 8, an IMF team arrived in Turkey to negotiate the final details of a \$3.2 - \$5 billion three-year standby program. The program will focus heavily on raising domestic revenue through taxes and privatization, and is expected to include a change to the exchange rate system in order to help reduce Turkey's inflation rate from 60 percent to 25 percent by the end of 2000. This program would be in addition to the \$500 million in emergency IMF funds that Turkey has already received as a result of the August earthquake.
- **Social Security:** On November 9, Secretary Summers testified before the House Ways and Means Committee regarding your Social Security plan. The Secretary emphasized the importance of extending the program's solvency by dedicating to the Social Security Trust Fund the interest savings from paying down the debt. Democratic Committee

members generally supported your proposal as a "first step" in Social Security reform, while Republican members argued for reform that is focused on individual accounts. Chairman Archer and Representative Shaw announced that their Social Security plan was ready to be formally introduced and Representative Nick Smith introduced a reform plan that carves out payroll tax receipts to fund individual accounts. On November 17, Treasury will host the Fall meeting of the Social Security and Medicare Boards of Trustees.

DEPARTMENT OF JUSTICE

- **Pan Am Flight 103:** On October 29, the Scottish Crown Office served an indictment on two Libyan defendants, charging them with the December 21, 1988, bombing of Pan Am Flight 103 over Lockerbie, Scotland. The indictment contains three charges: conspiracy, murder, and contravention of the Aviation Security Act of 1982. During the week of October 24, DOJ representatives were at the Crown Office in Edinburgh to provide assistance and consult with The Lord Advocate, Solicitor General, and Crown Counsel. The trial date has been set for February 2, 2000, before the High Court of Justiciary, sitting at Kamp van Zeist.
- **War Criminals Legislation:** On November 4, the Senate passed by voice vote a bill that would expand DOJ's charter to track down war criminals. The bill would also authorize deportation of immigrants who have participated in acts of torture and genocide.
- **Changing Role of Federal Prosecutors Symposium:** On November 15-17, the National Institute of Justice and the Executive Office for U.S. Attorneys will host a symposium on the changing role of federal prosecutors. About 125 representatives of federal, state, and local law enforcement and academia will discuss the emerging role of U.S. Attorneys as public safety lawyers. The Attorney General will speak.
- **Online Safety for Children Videoconference:** On November 9, the Office of Juvenile Justice and Delinquency Prevention, the National School Boards Association, and the National Center for Missing and Exploited Children hosted a satellite videoconference titled, Online Safety for Children: A Primer for Parents and Teachers. The conference provided information on ensuring safety for children using the Internet.
- **Hate Crimes Conference:** The second Hate Crimes Conference was held on October 28. Participants included U.S. Attorneys, Hate Crimes Coordinators, Civil Rights Division attorneys, and FBI points of contact. The conference presented best practices from around the country in the development of Hate Crimes Working Groups in the districts. Presentations focused on hate in schools and hate on the Internet.

- **Environmental Enforcement Statistics:** On November 14, the Bureau of Justice Statistics is expected to release *Federal Enforcement of Environmental Laws in U.S. District Courts, 1997*. The report presents data on defendants charged with violations of federal laws involving discharge of hazardous substances and pollutants or laws protecting and conserving natural resources and wildlife.

DEPARTMENT OF INTERIOR

Handwritten: GSA

• **First Las Vegas Land Sale Under New Federal Law:** On November 4, BLM held its first Las Vegas land sale under the provisions of the Southern NV Public Land Management Act of 1998. This competitive sale, conducted with the assistance of GSA, involved 23 parcels of public land, of which 20 were sold for a total of \$9.5 million, \$1.6 million above their appraised value. BLM will evaluate the results of the sale in planning for future sales under the 1998 law. The law stipulates that the money generated by these sales remain in NV for purchases of environmentally sensitive lands, capital improvements at four federal recreation sites, and development of local parks and trails.

- **Royalty-in-Kind Contracts:** MMS accepted bids from two natural gas marketing companies (Duke Energy and Dynegy) to purchase gas taken by the federal government as "in-kind" royalties from companies producing gas from federal leases in the Gulf of Mexico. Duke Energy and Dynegy will take the gas from the federal leases and, in exchange, will deliver gas to GSA for use in federal facilities. Together with an ongoing pilot royalty-in-kind project between MMS and TX, under these new contracts MMS will be collecting royalties in-kind for over 10 percent of total federal production in the Gulf. Deliveries under these contracts will begin in December.
- **West Nile Virus:** On November 8-9, USGS presented the results of its investigations on the outbreak of the West Nile disease in NY at the Centers for Disease Control and Prevention workshop in Fort Collins, CO. The workshop focused on the current status of the disease, surveillance methods used to monitor its spread, determination of host bird species, recognition of domestic and wildlife species affected, laboratory methods used for early detection, and methods for preventing and controlling the spread of the disease.
- **Search for Downed Aircraft:** USGS scientists from the Woods Hole Field Center have underwater detection gear available for the U.S. Coast Guard to search for debris from EgyptAir Flight 990. In a memorandum requested by the Coast Guard, the USGS has offered state-of-the-art detailed side-scan sonar mapping of the sea floor and a video picture database of targets on the sea-floor.

UNITED STATES DEPARTMENT OF AGRICULTURE

- **President's Food Safety Council:** On November 10, Secretary Glickman co-chaired a meeting of the President's Food Safety Council with Secretary Shalala and Dr. Neal Lane. At the meeting, a draft interagency egg safety action plan was adopted, a draft food safety strategic plan framework was approved, and review work was made on developing a coordinated federal food safety budget.
- ✓ • **First Phase of Emergency Farm Aid Program:** On November 8, Secretary Glickman announced that USDA has sent farmers more than 96 percent of the \$5.5 billion provided in the FY00 agriculture appropriation's bill for emergency income loss payments, some two-thirds of the \$8.3 billion in direct emergency payments provided in that bill. In addition, as of November 8, USDA had shipped 373,605 pounds of food to NC for Hurricane Floyd relief, and will ship an additional 19,350 pounds on November 15.
- **Secretary Meets with French Counterpart:** On November 8, Secretary Glickman met with his French counterpart to discuss ongoing agricultural trade disputes, including the upcoming WTO round, the EU ban on beef produced from cattle raised with growth-promoting hormones, and the growing tension over trade in genetically-modified organisms.
- **Commodity Markets:** Dry conditions in winter wheat areas, particularly the Southern Plains, lifted wheat prices last week. Higher wheat prices, slow producer selling, and brisk export demand combined to boost corn prices. Recent purchases by China helped raise soybean cash prices last week, but improved conditions in soybean-producing areas of South America weighed on futures. Record supplies led to a drop in rice prices. Favorable crop conditions in competing exporters sent cotton prices lower. Cattle prices rose despite a sluggish wholesale beef market. Large supplies and a weak wholesale market contributed to a decline in hog prices. Broiler prices were almost unchanged as good fast food demand was offset by a sluggish retail market. Cheese prices fell as seasonal production continues apace. Butter prices were up slightly in volatile trade.

DEPARTMENT OF COMMERCE

- **Meeting with EU Commissioners and German Minister:** While in Berlin for the TransAtlantic Business Dialogue Conference from October 28-30, Secretary Daley held his first meetings with the EU Trade Commissioner and the Commissioner for Enterprise and Information. The Secretary discussed the upcoming WTO Ministerial, China's WTO accession, agri-food biotech, e-commerce and data privacy, third generation wireless standards, and EU proposals for a directive on Waste from Electrical and Electronic Equipment -- an issue that the United States is raising in the context of early warning of trade problems. He also met with German Economics Minister Werner Mueller.

- **EgyptAir 990 Investigation:** Since November 2, the NOAA Ship *Whiting* has collected side scan sonar data of probable debris fields in the area of the EgyptAir 990 crash. NOAA's Office of Restoration and Response has used its oil spill models to locate drifting debris and to ensure safe and effective Remotely Operated Vehicle and diving searches. NOAA's Marine Prediction Center (MPC) has provided twice-daily weather information on wind, wave, and atmospheric conditions to operations staff of offshore conditions. NOAA's National Marine Fisheries Service, working closely with NTSB and the Atlantic Offshore Lobstermen's Association, developed a successful plan for lobstermen to retrieve gear from the search area.
- **Joint U.S.-China Housing Initiative:** On November 1, DOC participated in the official MOU signing ceremony for the Joint U.S.-China Housing Initiative. The three-party MOU was signed by China's Minister of Construction, Secretary Cuomo, and DOC.
- **Long Beach Navy Shipyard Conversion:** The Department of the Navy has approved the transfer of all remaining manufacturing and test equipment from the former Long Beach Naval Yard to the City of Long Beach, CA. For the past three years, the Bureau of Export Administration (BXA) and the City of Long Beach have been working with the Navy Department on this effort. The BXA Manufacturing Empowerment Zone concept now can be implemented by the city. Secretary Daley will tour the Long Beach Naval Shipyard on November 12.

DEPARTMENT OF LABOR

- **Northern ME Logging:** On November 1, five Northern ME loggers continued their protest at the ME Department of Labor against foreign labor (Canadian loggers) in the ME woods. The loggers' rally included representatives from the Native Forest Network, the ME Green Independent Party and the Forest Ecology Network. The loggers are exploring legal and administrative remedies. The ME Woods Survey/Study which investigated all of the issues surrounding U.S. and Canadian loggers working in ME is now being reviewed by federal and state Department of Labor officials and should be ready for public release within a week.
- **Dislocated Worker Grant (AZ):** By November 10, DOL planned to announce the award of a grant of up to \$8,698,917 (with \$3,300,000 awarded immediately), from the Secretary's National Reserve Account to provide job training and other services to 1,380 of the 2,700 workers dislocated by the closure of Broken Hill Properties mining facilities in the State.

- **Hurricane Floyd (NY):** By November 11, DOL planned to announce a disaster relief grant of up to \$1,650,016 (with \$550,000 to be awarded immediately) to the State of New York to fund 100 temporary jobs for workers engaged in the clean-up and repair of damage caused by Hurricane Floyd.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

- **Office of Child Support Enforcement (OCSE) Wins Bronze Medal:** Brandon Hall, a leading provider of information services to the technology-based training industry, awarded OCSE the Bronze Medal for its computer-based training (CBT) course, *Child Support Enforcement Orientation*. The OCSE, in partnership with USDA Graduate School and Human Technology Inc., developed this CBT course for the Federal and State child support enforcement community.
- **Children's Health Insurance Program (CHIP) Outreach Summit:** On November 17-18, the Health Resources and Services Administration will bring together Federal agencies, State, health, and education representatives to discuss enrollment in educational and community-based outreach settings at the CHIP Outreach Summit in Washington, DC. Secretary Shalala and Attorney General Reno will address the Summit on November 17.
- **Office of Refugee Resettlement National Conference:** On November 15-17 the Administration for Children and Families will hold their National Conference in Washington, DC. This year's conference theme, Resettlement Through the Eyes of a Refugee Child, will include children representing all refugee groups throughout the U.S. Secretary Shalala will provide the opening keynote address.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Gun Buyback: Secretary Cuomo announced that HUD will begin accepting applications this week for \$15 million in grants to fund the purchase of up to 300,000 guns from people around the country. Public housing authorities, in partnership with police and sheriff's departments, will apply for the grants, which will be used to buy back guns for about \$50 each. Each housing authority and law enforcement agency applying jointly for a grant will be eligible for up to \$500,000 in HUD funds.

- **Housing Grants:** Grants are being prepared for release over the next several weeks pursuant to the following programs: Section 202 (supportive housing for the elderly) and Section 811 (supportive housing for persons with disabilities); Public Housing Drug Elimination; Resident Opportunities self Sufficiency Program; Homeless Continuum of Care; Community Development Technical Assistance and the Fair Housing Initiative Program.

DEPARTMENT OF TRANSPORTATION

- **Open Skies Agreement with Tanzania:** On November 3, Secretary Slater announced an Open Skies agreement between the U.S. and Tanzania, a major step forward in your plan for a closer partnership with the nations of Africa. The agreement, which was initialed after two days of talks in Washington, is the first U.S. Open Skies agreement with an African country. The U.S. now has Open Skies agreements with 38 countries around the world.
- **WA Vehicle License Fees:** WA residents voted to cut license tag fees and require voter approval of all future tax or fee increases. Initiative 695, which takes effect January 1, 2000, will make WA the only state in the nation to give voters the power to approve all new taxes and fees. The move will cost the state treasury about \$750 million a year; WA DOT's budget will be reduced by one-third and major transportation or transit projects will be delayed or abandoned.
- **Flammability Issues Hold up Boeing Aircraft Deliveries:** On November 2, the Boeing company disclosed that drip shields, insulation that prevents condensation from the skin of the aircraft from dripping on pilots and cockpit electronics, used on Boeing Models 747, 757, 767, and 777 airplanes are suspected of failing flammability test requirements. The FAA is meeting with Boeing to resolve the issue. Aircraft deliveries are on hold pending resolution.
- **Call For America's Youngest Poets to Address Transportation:** During the week of November 15, Secretary Slater will call on the nation's youth, boys and girls in grades 1-8, to write poems about transportation in hope that their thoughts will inspire others to prepare for transportation sector jobs by studying math and science. The theme for this contest is "Land, air and sea, transportation moving things for you and me." Winners will be announced in February 2000.
- **Benson, AZ Plans Airport Dedication Ceremony:** On December 1, the new Benson Airport will be dedicated, after ten years of airport planning and construction. The general aviation runway, parallel taxiway and parking apron will accommodate 25 based aircraft and enhance tourism at Karchner Caverns, located approximately ten miles from the airport. Total cost of the new airport is \$5,353,000 with \$4,874,000 provided from federal Airport Improvement Program funds and the balance from state and local sources.

THE PRESIDENT HAS SEEN

11-13-99

DEPARTMENT OF ENERGY

- **1999 Pollution Prevention Conference:** From November 15-19, in Albuquerque, NM, DOE will sponsor the 5th Annual DOE Pollution Prevention Conference. The Conference will incorporate energy efficiency into its main theme, Moving Toward an Energy-Efficient and Pollution-Free DOE.
- **EnergySmart Schools Student Summit and News Conference:** On November 17, twelve 4th-6th grade students who won the "Saving Energy Starts With Me" essay contest will visit Washington, DC and will draft the nation's first *EnergySmart Proclamation*, encouraging kids across the country to help make their communities more energy efficient. The contest is sponsored by DOE and Owens Corning.
- **Use of Alternative Fuels in Transit Buses:** The GAO has completed a draft report, finding that DOE, EPA, and DOT have programs in place that encourage the use of alternative fuels in vehicles, including transit buses. DOE is responsible for providing federal leadership on the acquisition and use of alternative fuel vehicles. Among other activities, DOE conducts research on alternative fuels, operates the alternative fuel data center, and runs the Clean Cities Program, all of which are designed to provide information and promote the use of alternative fuels.

DEPARTMENT OF EDUCATION

- **National College Awareness Week:** During National College Awareness Week, November 15-19, DOEd has invited college presidents to visit a middle school or high school. DOEd hopes to create a weeklong series of high-profile activities that showcase the work that is being done by many groups to help young people get ready for college. So far, 260 colleges have agreed to participate.
- ✓ **School-Based Enrollment for Medicaid and CHIP:** On November 17, Acting Deputy Secretary Smith will join Attorney General Reno and Secretary Shalala at the National Summit on School-Based Enrollment for Medicaid and the Children's Health Insurance Program.
- **Supreme Court to Rule on College Fees:** On November 10, the Supreme Court began consideration of a case involving mandatory student fees that support groups engaging in political speech. The case is the result of three WI students who claimed that the school violated their First Amendment rights by using their student fees to support 18 groups whose ideologies they opposed, including the Lesbian, Gay, Bisexual Campus Center; Amnesty International; and the Campus Women's Center.

THE PRESIDENT HAS SEEN

Most Eighth Graders in NYC Fail State Tests: According to test results announced on November 7, a large majority of New York City eighth graders have failed to meet tough new state standards on tests in math and English. A 77 percent failure rate in mathematics and a 65 percent failure rate in English cast doubt on whether many students in years to come will be able to earn a high school diploma under equally rigorous statewide Regents tests required for graduation.

Possible Fulbright Program in Vietnam: On November 9, Secretary Riley and officials from DOEd's Office of Postsecondary Education met with Rep. George Mille discuss the possibilities of a Fulbright Program in Vietnam.

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Podesta

- **New American High Schools:** On November 19, \$5 million in New American High Schools (NAHS) grants will be announced. The NAHS initiative supports high school that are committed to ensuring that all students meet challenging academic standards & are prepared for college and careers.

DEPARTMENT OF VETERANS' AFFAIRS

- **Cost of HIV/AIDS Drugs:** While the use of new antiretroviral drug treatments has resulted in dramatic improvements in reducing AIDS-related deaths and in shifting from inpatient to outpatient care, the total cost of AIDS treatment has escalated, according to a recent study by VA researchers. Between 1992 and 1998, the quantity of antiretroviral drugs prescribed increased by 502 percent, and the costs increased by 434 percent.
- **Incidence of Sexual Assault During Military Service:** Nearly one in four women outpatients using VA medical centers reports being sexually assaulted while in the military. According to a study by the VA Palo Alto Medical Center's Health Services Research and Development Service published in the October issue of the *Journal of Traumatic Stress*, these female soldiers may be more prone to depression and alcohol problems.

ENVIRONMENTAL PROTECTION AGENCY

Brownfields Revitalization Legislation: EPA completed interagency review and received Administration backing for the American Brownfields Revitalization Act of 1999. This proposal could represent a significant victory for the New Markets Initiative and is supported by the National Association of Home Builders.

- **"Open Space" Initiatives:** On November 2, voters decisively supported ballot initiatives to preserve open space in their local communities. Out of 28 ballot initiatives related to open space, 26 were approved, authorizing more than \$1 billion in local spending to purchase land.

UNITED NATIONS

- **Possible Loss of Vote:** The amount of money the U.S. needs to pay (on top of the expected available appropriations) before December 31, to preserve its UNGA vote has increased from \$111 million to about \$150 million.
- **Bosnia:** On November 15, the three leaders of the Bosnian Joint Presidency will address an open meeting of the Security Council. Discussion will be limited to the three presidents Security Council members.
- **Iraq:** The UK will circulate new language on disarmament and the trigger mechanism for sanctions suspension to p-5 Ambassadors on November 10. The remaining, Washington-approved paragraphs of a comprehensive resolution will likely be circulated to the p-5 and to UK/Dutch draft co-sponsors by November 15. USUN is preparing for further New York p-5 meetings at the Political Director during the week of November 15. Also November 15, the report on Phase VI of the Oil-for-Food program is due; adoption of a rollover resolution for Phase VII is expected November 19.
- **Afghanistan Sanctions:** On November 14, the sanctions come into force banning foreign flights for Afghan Ariaria Airlines and freezing the assets of the Taliban for harboring terrorist leader Usama bin Laden.

UNITED STATES TRADE REPRESENTATIVE

- **Trade and Environment Policy Committee (TEPAC):** On November 18, Ambassador Barshefsky and Administrator Browner will convene a meeting of the Trade and Environment Policy Committee to discuss the U.S. agenda for upcoming WTO Ministerial, including U.S. initiatives on trade and sustainable development, and the recent report on Accelerated Tariff Liberalization for the Forest Products Sector.
- **NAFTA Deputy Ministerial:** On November 18, Deputy Fisher, will host the semi-annual gathering of Deputy Ministers from Canada, Mexico, and the U.S. At this meeting, Deputy Ministers will review developments in the NAFTA work program and provide new direction as appropriate. The U.S. will use this meeting as an opportunity to press its WTO Ministerial agenda, and to make progress in areas where the NAFTA countries are not in agreement. The U.S. will also raise non-Ministerial issues surrounding goods trade facilitation at NAFTA borders; temporary entry matters; investor-state issues; and mutual recognition agreements in the services professions. Mexico and Canada may raise issues surrounding the procedures for dispute settlement within the NAFTA.



OFFICE OF NATIONAL DRUG CONTROL POLICY

- **Trip to Australia:** From November 14-17, Director McCaffrey will lead a U.S. delegation to Sydney, Australia to participate in the Australian International Drugs in Sports Summit. Twenty-six nations are gathering in Australia to strengthen international cooperation to combat doping in sport. The conference will focus on commitments to strengthen domestic efforts and also to build greater multilateral cooperation. The U.S. delegation will also use the conference to further an international consensus position with respect to the new International Olympic Committee anti-doping agency.

SMALL BUSINESS ADMINISTRATION

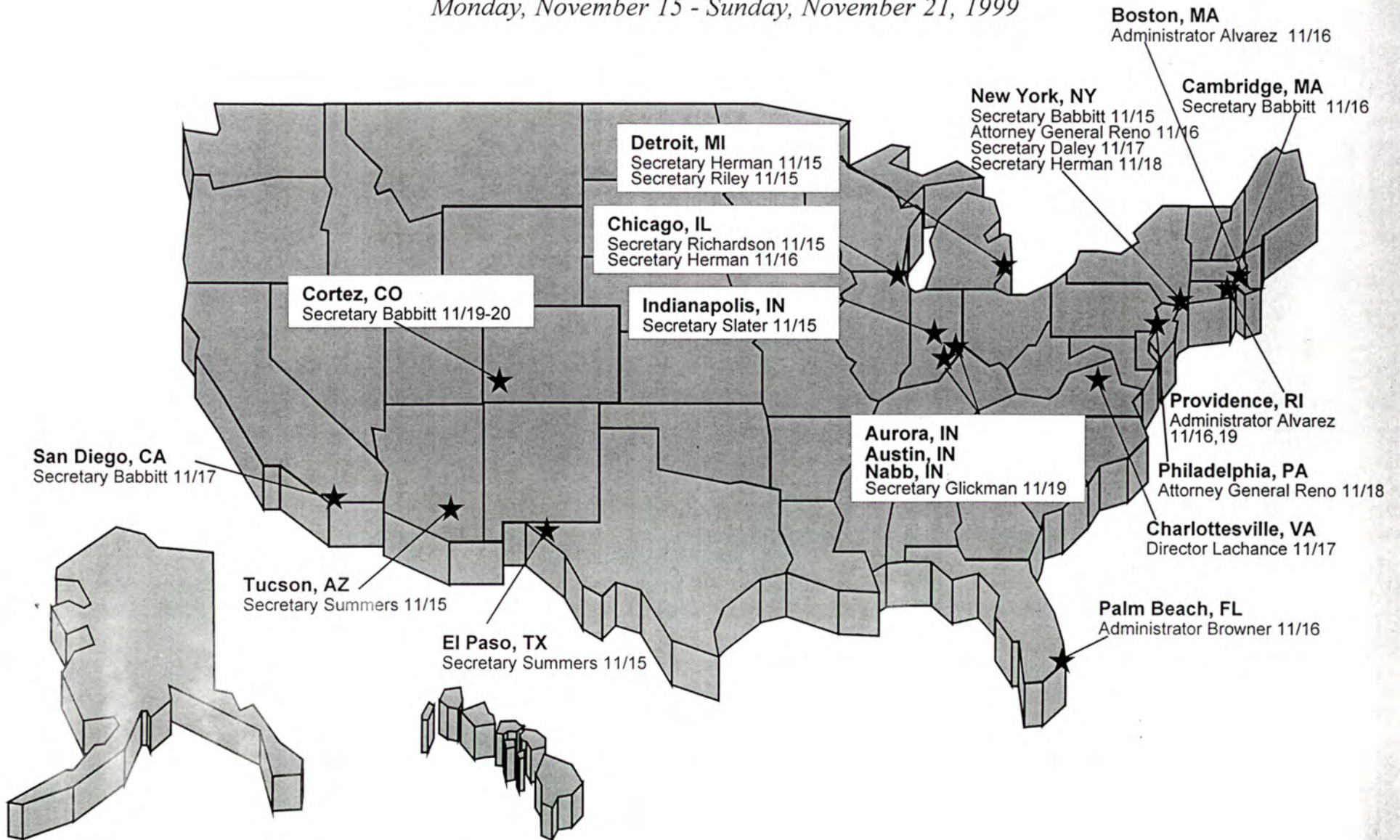
- **National Trade Education Day:** In recognition of National Trade Education Day Administrator Alvarez will lead an event in Rockville, MD. She will speak to approximately 200 small businesses to highlight SBA's international trade missions and the importance of international trade. SBA is also preparing a brochure on *Small Business and the WTO* for distribution prior to and during WTO.

SOCIAL SECURITY ADMINISTRATION

- **Meeting of the Social Security and Medicare Boards of Trustees:** On November 17, the Social Security and Medicare Boards of Trustees will meet in Washington, D.C. to discuss the status of the preparation of the Boards' 2000 Annual Reports, which are to be released in the spring of 2000.
- **SSA's Annual Accountability Report:** During the week of November 15, SSA will release its 1999 Accountability report. The report provides an overview of SSA's FY99 financial operations, highlights the accomplishments of the Agency over the past year and recognizes the areas where improvement is needed.

Cabinet Travel

Monday, November 15 - Sunday, November 21, 1999



Turkey
Secretary Albright 11/15-19
Secretary Richardson 11/17-20

Italy
Secretary Glickman 11/10-16
Secretary Albright 11/19-21

Bulgaria
Secretary Albright 11/21-23

South America, England
Secretary Cohen 11/15-19



cc:

The Vice President

John Podesta

Martin Baily

Sandy Berger

Sidney Blumenthal

Charles Burson

Mary Beth Cahill

Maria Echaveste

George Frampton

Mickey Ibarra

Ben Johnson

Joel Johnson

Janis Kearney

Neal Lane

Jack Lew

Ann Lewis

Joe Lockhart

Buddy MacKay

Sean Maloney

Minyon Moore

Bruce Reed

Steve Ricchetti

Doug Sosnik

Gene Sperling

Larry Stein

Loretta Ucelli

Melanne Verveer

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THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS SEEN
11-13-99

MEMORANDUM

November 12, 1999

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TO: THE PRESIDENT

FROM: LORETTA UCELLI
TOM JANENDA

RE: Communications Weekly Report

Overview:

We continue to focus on the ongoing budget talks, communicating both your priorities and the "wins" that have already occurred in the negotiations. We have a plan to continue this effort while you are travelling next week. In addition, we continue to coordinate communications efforts leading up to the Seattle WTO Ministerial. We are working to amplify your leadership on Financial Modernization and successful efforts to strengthen community reinvestment standards. Finally, we are working on a number of communications documents, including: a new set of Administration accomplishments; a look at the major changes in American life during your Administration; and the Fact Sheet prepared at the time of your internet town hall this week on important information citizens can find on federal government web sites.

Budget:

We are working with the Press Office, DPC, NEC and OMB to coordinate budget message activity while you are travelling. Specifically, we are working to identify possible press opportunities for you to comment on the negotiations if and when doing so would be appropriate. We will have Administration officials prepared to speak on issues still under debate while you are away: Jack Lew on the overall budget; James Lee Witt on relief for victims of hurricane Floyd; George Frampton on environmental riders; Secretary Summers and Gene Sperling on debt relief; and Bruce Reed on hate crimes. We are also working to get local and regional stories on some of the specific "wins," including education funding, community police and environmental riders that have already been removed. In addition, we are beginning to put together a post-budget agreement communications plan, including pundit briefings, budget "wins" paper, and radio, tv and editorial outreach to key markets by Cabinet Secretaries and senior Administration officials.

WTO:

We continue to work with Karen Tramontano to plan communications efforts surrounding the upcoming Seattle WTO Ministerial. Your event this week in York, Pennsylvania was very successful and received good coverage. Between now and the beginning of the Ministerial, we are working to coordinate other message activity. Each morning at 11:00, we host an Administration-wide conference call with communications staff to identify and shape new stories and events.

In addition, we are compiling a list of key reporters and columnists who we hope to host for briefings prior to the ministerial. We plan to do an editorial board mailing to newspapers across the nation two weeks prior to Seattle. We are also working to identify key markets and assign Cabinet officials to cover them through editorials board calls or other message events. Finally, we are working to put together an effective communications operation on the ground in Seattle during the Ministerial itself.

Financial Modernization:

We are working with the Press Office, NEC and other offices to amplify your message on signing the Financial Services Modernization bill. Specifically, we are working to insure that the elements of the bill that strengthened the Community Reinvestment Act (CRA) receive coverage in national, regional and specialty media.

Patients' Rights-HMOs:

We are working with the DPC, Press Office and others on a letter to demonstrate your continued leadership on health care and the patients' bill of rights. DPC is drafting a letter from you to HMOs across the nation asking them to follow the lead of United Health Group in moving to insure that doctors – not insurance company accountants – have the authority to make medical decisions. The letter will show that despite Congress' inability to take action on this bipartisan issue, your administration continues to lead.

Third Way/Florence Conference:

In advance of your upcoming conference in Florence, Italy, we are working with other offices to communicate your leadership in developing a new, "third way" governing philosophy in the world. With the Cold War over, your approach – and record – of creating a government that both maintains fiscal responsibility and invests in people with an emphasis on creating opportunity, is a model that other countries around the world are trying to emulate. This conference will highlight your leadership.

Electronic Government:

Your Internet town hall meeting this week generated a tremendous amount of positive news coverage. As a result, the White House has received a number of additional requests for your participation in online events with other Internet outlets. For this week's DLC town hall, Communications worked with Cabinet Affairs to collect information on how, as the first Administration of the Internet era, your Administration has made the federal government more accessible and "user friendly" for citizens. We produced a fact sheet entitled "Twenty Things You Can Do and Learn On U.S. Government Web Sites." The fact sheet shows how – with the click of a mouse – Americans can do everything from find a job on the Department of Labor's "America's Job Bank," to finding out about food safety, environmental hazards in their neighborhood, buying a new home or starting a small business.

Leadership Through Executive Action:

We continue to work on a document compiling the Executive actions you have taken to improve the lives of American families, often in the absence of congressional action. Next week's planned letter to HMOs on patients' rights will provide another example. In the post-budget era, with reporters beginning to work on stories setting expectations for next year, we think it will be effective to remind reporters how much you have accomplished outside of the legislative process.

Accomplishments:

This week, we completed an update of your Administration's accomplishments. The overall summary document, as well as 50 individual state pages, have been distributed throughout the White House and put on the White House web page.

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THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS SEEN
11-13-99

November 12, 1999

MEMORANDUM FOR THE PRESIDENT AND THE VICE PRESIDENT

FROM: MARY BETH CAHILL *mbc*
DIRECTOR, OFFICE OF PUBLIC LIAISON

SUBJECT: WEEKLY REPORT (November 6 to November 12)

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I. ACTIONS SUPPORTING PRESIDENTIAL INITIATIVES:

NEW MARKETS

Corporate Executives Enthusiastic with Participation in the New Markets Tour. Art Ryan, CEO of Prudential, Dick Huber of Aetna, Jack Greenberg of McDonald, and the others have all expressed their interest and enthusiasm in remaining involved in future New Markets activity. Overall, over sixty corporate executives have traveled with you on your May trip to Atlanta, the July tour, and last week's tour to Newark, Hartford, Chicago, and Hermitage. We will do follow-up on this trip with those CEO's who have travelled with us and use this successful trip to reach out to new CEO's.

WTO MINISTERIAL MEETING

Outreach Meetings with Critical Constituencies. Senior Administration officials met with three critical constituencies this week: environment, consumers, and foundations. The meetings were constructive with some of the groups offering critical advice on some of the policies outlined by the Administration. The common theme was that groups felt strongly that there needed to be a structure in place that allowed for more substantive input to the agencies developing trade policy. OPL is arranging follow-up meetings with Administration officials to discuss options that were proposed.

II. CONSTITUENT OUTREACH AND OTHER ISSUES:

AFRICAN AMERICAN OUTREACH

NAACP Seeks Executive Memorandum Regarding State Equal Opportunity Programs. The NAACP is concerned about the impact of Governor Bush's announcement of a "One Florida Initiative," which could voluntarily eliminate its race-based preferences in state university admissions and state contracts. NAACP leaders want you to issue an Executive Memorandum to Federal Agencies that will remind them, as they interact with state agencies, that federal dollars are allocated to states that still have in place equal opportunity programs. This applies to applications for federal procurement contracts such as federal highway laws and education opportunities. The NAACP will issue a statement early next week and submit a letter to you within the next two weeks.

DISABILITY OUTREACH

Advocates Seek Closure on Work Incentives Bill. There are two outstanding issues. First, Congressional leadership continues to seek reductions in the Medicare provisions, which advocates vehemently oppose. Second, many advocates oppose paying for the legislation on the backs of the poor through student loan and FHA rebate offsets; they urge you to continue working with Congress to find alternative funding. Advocates fear time may run out before agreement can be reached.

Advocates Pleased with Funding for FDR Memorial Addition. Agreement has reportedly been reached to increase the Interior Department's budget to \$3 million for the memorial addition (only \$500,000 less than the original request of \$3.5 million). Advocates now hope to have the addition completed in time for you to dedicate it, but fear there may not be enough time to obtain the granite from South Dakota.

HEALTH OUTREACH

Hospital Groups Seek Elimination of Outpatient Services Reduction in BBA. Various hospital groups, particularly Catholic Health Association, continue to express the critical importance of eliminating the 5.7% reduction for hospital outpatient (OPD) services in the Balanced Budget Agreement (BBA). While they are appreciative of your efforts on this issue, as of Friday, the OPD issue still remained unresolved.

Health Associations Seek Extension of Comment Period Regarding Medical Records. You received a letter from the major health associations - American Association of Health Plans, American Hospital Association, American Medical Association, Blue Cross and Blue Shield Association, Health Insurance Association of America, and Association for Electronic Health Care Transactions - urging you to extend by at least sixty additional days the formal public comment period for the medical records proposed rule. The groups believe there is not enough time for HHS to review all the comments between January 3 and February 1.

RELIGIOUS OUTREACH

New Leadership at Interfaith Alliance: Phil Wogaman has completed his term as President of the Board and will be succeeded by Bishop Jane Holmes Dixon. This is good news for the Alliance as it seeks to broaden its base nationwide and more effectively take on the religious right. Dixon begins a seven-month sabbatical in February and therefore will have additional time for Alliance work.

Catholic Charities Concerned About Block Grant Cuts. Father Fred Kammer has written to you expressing concern that cuts in Social Services Block Grant (SSBG) funding are being used as an offset for Labor/HHS. He points out that this would be the third consecutive year the program would be cut and the importance of SSBG funds to their 10 million clients nationwide. He asks "your personal intervention" in returning SSBG funding to its authorized level of \$2.38 billion.

Handwritten note:
Bread
is a fruit
(survivor)
Cuts - call us
Do better

THE WHITE HOUSE

WASHINGTON

THE PRESIDENT HAS SEEN
11-13-99

*copied
Johnson
Podesta*

NOVEMBER 12, 1999

MEMORANDUM FOR THE PRESIDENT AND VICE PRESIDENT

FROM: BEN JOHNSON

SUBJECT: OFFICE ON THE PRESIDENT'S INITIATIVE FOR ONE AMERICA
WEEKLY REPORT

ACTIONS

One America Events/2000: Following up on our conversation Wednesday evening, for the past several months, my staff and I have been exploring the feasibility of hosting two major sectors of society around One America issues. We have been brainstorming with members of the corporate sector and believe we are close to being ready for you to issue a call to action to corporate America. This would be similar to what was done with the legal profession. *Joe!*

There is a lot of enthusiasm among the corporations because they see diversity as a positive to their bottom line. I think a call to diversify hiring, as well as asking them to expand their business partnering arrangements with minorities, would be an appropriate first step. Judging from what we are hearing from the corporations, this is a "win-win" with loads of easily identifiable deliverables. US West, among others, is certainly in a position to answer the call in a positive fashion.

The other sector we would like to engage is the media. We have had conversations with members from the print and electronic side of the ledger and they are assisting us with ideas regarding what form the engagement should take. I agree with you that we should not look to slam-dunk them for their coverage or for negative stereotypes. Instead, we would look for ways to give them direction aimed at getting them to present people in a more positive light.

We are canvassing the country to see if there are some positive things going on that we may want you to highlight before a group of image makers from the print media, broadcast media and Hollywood types. We have a scheduling request in for the corporate event and I plan to see Stephanie to discuss the media proposal next week.

East Wing Portraits: I meant to mention this in an earlier report because it has come up a number of times when we have African American guests in the White House. After the Little Rock Nine ceremony, several people remarked that there are no portraits of famous African American patriots on display in the ceremonial rooms of the

THE PRESIDENT HAS SEEN

11-13-99

residence. I believe that this is the appropriate time to consider displaying a portrait of, either Frederick Douglass, Crispus Attucks or Harriett Tubman. Additionally, other minorities should be considered for the same honor.

National Association of Investment Companies/Wall Street Project: These groups have written to urge the Administration to include authorization of 10 new non-bank 7(a) lenders as part of the New Markets Program. These banks would originate loans under SBA's Small Business Loan Guaranty program. According to them, the purpose of the 7(a) program is to encourage lenders to make loans that may not meet traditional bank underwriting criteria.

Furthermore, they claim that there are several entities with outstanding records of financing minority and underserved entrepreneurs in existence that could assist in launching this effort. They note that this New Market lending program can be done administratively without enacting new legislation. This spring, the SBA requested comments on this program and signaled its intent to roll out the program in June or July.

According to the groups, pilot regulations have been vetted within SBA and with OMB-- but nothing has happened. They claim that this inaction only benefits those who oppose the program and further demoralizes your minority business supporters.

Many Communities...One Indiana: Inspired by your efforts, and after participating in last year's days of dialogue, Governor O'Bannon and the Indiana Civil Rights Commission have issued a handbook that describes over 160 diversity programs around the state, as well as ways to fight hate – *Indiana's Best Practices Celebrating Diversity: Many Communities...One Indiana*. The handbook will be distributed to schools, libraries, mayors, government officials, law enforcement agencies, churches, service organizations and businesses. A copy of Gov. O'Bannon's letter is attached to this report for your review.

Marine Corps: We sent a letter to Navy Secretary Richard Danzig concerning the Marine Corps television recruitment commercials. As you are aware, the commercials are effective and inspirational. They often feature young people who work hard to overcome obstacles and reach a goal – to become a Marine. The commercials provide positive role models for youth but unfortunately, do not show any diversity. In my letter to the Secretary, I commended the military for its commitment to diversity and requested that he showcase some minority Marines in future commercials to reflect its successes. A copy of the letter is attached to this report for your review.

CABINET RACE INITIATIVE WEEKLY

Department of Housing and Urban Development

Community Empowerment Board Meeting on Pine Ridge: Secretary Cuomo participated in a meeting of the Community Empowerment Board to discuss the President's Pine Ridge Initiative. Secretary Cuomo spoke about the strong

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commitments made by the Administration to effect change, to empower people by building affordable housing and creating jobs.

Department of Justice

Hate Crimes Conference: The second Hate Crimes Conference was held Thursday, October 28. Participants included United States Attorneys, Hate Crimes Coordinators, Civil Rights Division attorneys, and FBI points of contact. The conference presented best practices from around the country in the development of Hate Crimes Working Groups in the districts. Presentations focused on hate in schools and hate on the Internet.

Department of Transportation

Hispanic Outreach: The DOT was highlighted in the November issue of "THE VOICE," Hispanic Association of Colleges and University's (HACU) organizational publication. The article addressed Secretary Slater's presentation of \$510,000 to HACU for the Student Summer Internships Program and the Department's Minority Serving Institutions program. DOCR staff attended the National HACU conference in Miami, Florida and participated in workshops designed to increase the participation of Hispanics in the Federal educational programs and employment.



OFFICE OF THE GOVERNOR
INDIANAPOLIS, INDIANA 46204-2797

FRANK O'BANNON
GOVERNOR

October 8, 1999

The Honorable William Jefferson Clinton
The President
The White House
Washington, D.C. 20500

Dear Mr. President:

Because of your efforts to promote racial reconciliation through your Initiative for One America, I thought that you would like to see the handbook we recently issued here in Indiana.

Indiana's Best Practices Celebrating Diversity: Many Communities... One Indiana describes more than 160 diversity programs already at work in 36 communities around our state.

I got the idea last year while following through on your suggestion for "Days of Dialogue" on race relations. As I went from one community to another, spotlighting a variety of heart-felt and imaginative efforts to build racial harmony, it occurred to me that we should collect all of these ideas so that we could share them. At my request, the Indiana Civil Rights Commission did just that, and the enclosed manual is the result. We have also posted these tips, and will add more, on the Civil Rights Commission's web site, www.state.in.us/icrc.

Now, when a citizen, organization or town recoils from an incident of hatred and wants to do something about it, there is no need to start from scratch. Here is a concise summary of possible strategies to promote racial reconciliation and healing, complete with contact names, addresses and telephone numbers. Concerned citizens may choose to adopt or adapt what seems to best fit in their community and their circumstances. After all, these ideas are not only home-grown; they have also been put to the test somewhere in our state.

We are distributing our handbook to schools, libraries, mayors, other government officials, law enforcement agencies, churches, service organizations and businesses throughout Indiana, in addition to calling attention to its presence on the Internet. This may be an approach to share with other states, as well, in our common quest to conquer racial bigotry.

The Honorable William Jefferson Clinton
October 8, 1999
Page 2

I know that this is an issue of extreme importance to your administration and to you personally, as it is to me. I commend the work undertaken by your Race Initiative's Advisory Board and the continuing efforts now underway by Ben Johnson, a former Hoosier, through the Initiative for One America.

Thank you for your concern and your attention to this. I look forward to continuing to work with you to build the one America we want for all of our nation's children.

Sincerely,

A handwritten signature in black ink that reads "Frank O'Bannon". The signature is written in a cursive, slightly slanted style.

Frank O'Bannon

Enclosure

cc: Ben Johnson
Director, President's Initiative for One America

FOB/JV/bj

THE WHITE HOUSE
WASHINGTON

November 10, 1999

Secretary Richard Danzig
Department of the Navy
The Pentagon
Washington, DC 20350

Dear Mr. Secretary:

A couple of months ago, I participated in a meeting with Secretary Cohen to discuss a range of issues associated with diversity. As you may be aware, the President has charged my office with the task of looking for ways to reconcile racial, religious and ethnic divides in our great country.

In order to accomplish this goal, I have traveled across the country and engaged in numerous dialogues about race relations. During the course of many of these discussions, the military is often offered as a positive example of diversity in action. Our people truly believe that in the military, a person can advance based on merit, without concern of being denied an opportunity merely because of one's race. I am encouraged by the public perception of the military, and I hope that in the future, more minorities will be encouraged to serve in the U.S. armed forces.

I recently saw a very impressive Marine Corps television commercial. The commercial featured a heroic young man fighting through a maze and overcoming tremendous obstacles to reach his goal. His triumph was made complete when he dons a Marine Corps uniform and stands at attention with his sword held high. In my opinion, these are some of the best military recruiting commercials on television. However, I think the Marine Corps commercials should show more diversity. The Marines featured in the commercials are tremendous role models for young people, much to the credit of the people who put the commercials together. On the other hand, it would be useful to showcase minority Marines in some of these commercials. A more diverse-looking Marine Corps commercial would be another valuable example of One America at work.

Thank you in advance for the consideration. If I can be of assistance, do not hesitate to contact me at (202) 456-5189.

Sincerely,



Ben Johnson

Assistant to the President and Director of
The President's Initiative for One America

THE PRESIDENT HAS SEEN

11-13-99

THE WHITE HOUSE

WASHINGTON

November 12, 1999

WEEKLY MEMORANDUM FOR THE PRESIDENT

THROUGH: JOHN PODESTA

FROM: LYNN CUTLER *LC*

CC: MARIA ECHAVESTE

SUBJECT: INDIAN COUNTRY

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Pg 1:
Jennings*

Civil Rights Commission

- On November 5, 1999, the United States Civil Rights Commission decided to hold a hearing in South Dakota to investigate the recent deaths of American Indians in the state. Among the deaths that caught the attention of the commission were those of six Indian men whose bodies were found in a creek in Rapid City, South Dakota over the past eighteen months. In another case, a Grand Jury indicted an individual who struck and killed a Native American on a rural road. The local State's Attorney dismissed the count and instead charged the defendant with driving while intoxicated. The commission should have a report within 90 days of the December 3 to 5, 1999 meeting that is planned in South Dakota. The report could be referred to the Department of Justice or another federal agency. Elsie Meeks, one of your appointees to the Civil Rights Commission, is the commission's first Native American member.

Diabetes Problems Continue

- The American Diabetes Association has established a special Native American outreach committee and effort. Your initiative of two years ago that targeted tribes for assistance was a big step forward, but in some communities, there is an epidemic. 80% of tribal members at the Gila River Indian Community over 55 are diabetic, and treatment costs are extremely high. I am investigating the charge by the tribe that National Institute of Health made some research decisions that negatively impacted the problem. Type 2 diabetes among Native Americans in the United States is a staggering 12.2%. Among people with diabetes, kidney failure is six times higher among Native Americans. Amputation rates among Native Americans are three to four times higher than the general population.

*at CJ Jennings
in need to get
out of the
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11-13-99

WEEKLY MEMORANDUM FOR THE PRESIDENT
PAGE TWO

Pine Ridge Youth Center

- Secretaries Glickman and Cuomo are going to do a joint letter to private sources to seek help in construction of the Youth Center. This will be in lieu of your doing so. In addition to funds that their agencies have come up with for programs, the Bureau of Indian Affairs will also contribute, and Justice is looking for resources for treatment of youthful offenders.

East Arkansas

- We are continuing to meet with the agencies about your trip to the eastern part of Arkansas in December. I feel good about everyone's willingness to be helpful and to make this a good trip for you. We are confident that the Office of Management and Budget will be ready for you to announce your support for inclusion in the 2001 budget full support for the creation of a Delta Regional Commission. Hopefully, we will also have a number of deliverables for you.

*Must have
Is there a COF in
the area? - can be
established on or more?*

THE PRESIDENT HAS SEEN
11-13-99THE WHITE HOUSE
WASHINGTON

November 12, 1999

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CC: MARIA ECHAVESTE

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11-13-99

WEEKLY MEMORANDUM FOR THE PRESIDENT
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Is there a COO in
the area? - can we
establish one or more?*

WORKFARE FOR THE HOMELESS?

THE PRESIDENT HAS SEEN
11-13-99

NEW YORK'S Mayor Rudolph Giuliani is giving a new slant to "compassionate conservatism" with his plan to evict from city-run shelters those homeless people who are judged able to work, but choose not to. He likens this move to the push toward "workfare" instead of welfare.

His idea may inspire other cities to follow suit, so it's worth looking at it closely. This Republican mayor has been given due credit for many programs that have put shine back on the Big Apple.

The thrust of this latest social engineering has some appeal. The dignity of work is vital for people, the homeless included. But Mr. Giuliani's plan to promote work among those homeless who are judged able-bodied and mentally sound - by forcing them out of shelters unless they're willing to work - will require careful implementation.

A fundamental challenge here, as with welfare-to-work campaigns, is that the people involved are diverse. Not all the homeless, anymore than all welfare recipients, are capable of making a quick move to work. A survey by the US Conference of Mayors indicates that 24 percent of the homeless have a drug-addiction problem; 34 percent are mentally ill. Assessing who can reasonably be expected to work, and who can't, won't be easy.

In New York, officials already apply a "needs test" to those seeking shelter. The work requirement, presumably, would toughen the screening process.

One group that would get close

scrutiny are single mothers. Many draw welfare checks and already work in exchange for that support. If a parent judged capable of working doesn't, and is barred from a shelter, the city will face a difficult decision concerning her children. In extreme cases, the parent could be judged negligent and her children placed in foster care. The city's main concern, according to statements by its commissioner for children's services, is that young children not be put out on the street even if it means separating them from their mothers.

Homeless men with no dependents could present their own dilemmas. New York plans more intensive screening of these individuals and hopes to move many into job-search programs.

In every case, a human life - or where children are involved, a number of lives - will be strongly affected. That's why Giuliani's plan bears scrutiny. If the program is thoughtfully administered it could be a model for helping a least a portion of the homeless population (on any given night, about 750,000 people nationwide) find greater stability.

If it's applied without close attention to individual circumstances, some lives could be plunged even deeper into chaos. As with welfare reform, this is a project worth pursuing, but with the clear recognition that it will require more effort, more investment of time, thought, and probably money, than sticking with the status quo.

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THE WHITE HOUSE
WASHINGTON

November 12, 1999

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MEMORANDUM TO THE PRESIDENT

FROM: STEPHANIE STREET
ANNE WHITWORTH
CC: NANCY HERNREICH
PATTI SOLIS-DOYLE
BRUCE LINDSEY

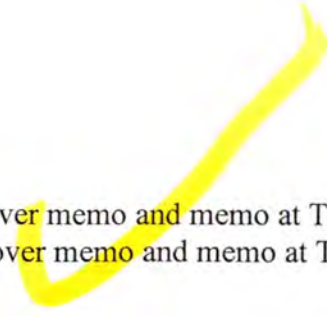
SUBJECT: Meeting with Library Architects

We are still looking for a date to for you and the First Lady to meet with the Library Architects. The earliest date that works for you and the First Lady is Sunday, November 28th however James Polshek will not be available on that date.

Would you like to do this meeting on Sunday, November 28th without Polshek? _____

Would you like us to try to find another date in December? _____

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Tab B - Page 1 cover memo and memo at Tab B: Berger/Podesta
Tab D - Page 2 cover memo and memo at Tab D: Sperling/Berger/Podesta

THE WHITE HOUSE
WASHINGTON

99 NOV 8 AM 10:29

November 8, 1999

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INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM: SAMUEL BERGER *B*

SUBJECT: Progress Being Made on the Baku-Ceyhan Main Oil Export Pipeline

The press (see Tab A) is starting to recognize that our Caspian energy policy is working and that agreement on a main export oil pipeline from Azerbaijan to Turkey is within reach. Presidents Aliyev and Demirel are pushing for an intergovernmental agreement among Turkey, Azerbaijan, and Georgia (on key conditions for a pipeline such as energy transit rights and revenue sharing) to be signed by all three Presidents at Istanbul. This is the first critical step that would lead to subsequent agreements between the energy companies and each of the transit states, agreement on financing provisions and, finally, a turnkey construction contract.

To keep the pace going, we need to get producers to commit their volumes to a Baku-Ceyhan pipeline -- the pipeline will work only if there are oil volumes to support it. We got a major boost on October 21 when BP-Amoco, the lead company in Azerbaijan's international consortium, signaled it would eventually commit its volumes to a Ceyhan pipeline. But we also have considerable work ahead of us to get BP-Amoco to drop the caveats and conditions that will deter potential financiers. Our chief Caspian negotiator, John Wolf, is in constant contact with the companies to get them to aggregate volumes from different producers to make the pipeline viable.

Turkey is another wild card. The Turks have privately committed to build a pipeline from Ceyhan to the Georgian border, with the intent that the oil companies will complete the route to Baku. Turkey must demonstrate that its pipeline segment will arrive at the Georgian border by 2004 when the companies need expanded oil export capacity. Without such assurance, the companies justifiably will not proceed with their new investment in offshore production facilities.

cc: Vice President
Chief of Staff

We should also expect ongoing sniping from some BP-Amoco's consortium partners like Exxon and Unocal, who are outspoken critics of the Ceyhan route. Whether this is tactical (to get the best deal possible) or strategic, their votes in the consortium are important. We believe that, if the time schedule and shipping tariff are right, even the recalcitrants will sign on. We also believe producers in Kazakhstan want Ceyhan as an additional export route to complement or augment export routes now envisioned through Russia. Events in Dagestan and Chechnya have heightened companies' and Kazakhstan's interest in routes that avoid Russia. And Turkey has made clear that, for environmental reasons, the Bosphorus simply will not be an option to move increased volumes.

Next steps are an intensive effort to encourage completion of the intergovernmental agreement among Turkey, Azerbaijan, and Georgia by November 18 and helping Turkey ensure its construction and financing commitments are credible. We also are looking at a formalized process to get producers to commit volumes over the next year to a Baku-Ceyhan pipeline. Assuming the pipeline proves commercially viable, the U.S. financing requirement would include EXIM lending to cover purchases of U.S. goods and services, and a combination of insurance and financing from the Overseas Private Investment Corporation. We will also keep using small, but important amounts from the Trade and Development Agency to provide legal and technical advisors to Turkey's negotiators.

Attachment

Tab A Financial Times Article

THE PRESIDENT HAS SEEN

11-13-99

THE WHITE HOUSE

WASHINGTON

November 13, 1999

MEMORANDUM FOR THE PRESIDENT

FROM: SEAN MALONEY 
LISEL LOY 

SUBJECT: Recent Information Items

We are forwarding the following recent information items:

(A) **Ballantine memo on Bonn climate change conference** – reports on a positive Conference of the Parties (COP-5) last week, with agreement on a stepped-up schedule of meetings to resolve outstanding issues before COP-6 next year and substantial progress on technical areas such as the Kyoto mechanisms, sinks, and compliance. We settled for an earlier date (November 13-24, 2000) than we'd wanted for COP-6; delivered our primary message that your Administration is serious about climate change and the Kyoto process; proposed dialogue on developing country participation, although efforts to secure participation in the near term are not promising; met with the Chinese, the Indian government's new environment Minister, and Roger had a one-on-one, positive meeting with British Deputy Prime Minister Prescott and discussed the UK's interest in a joint event between you and Tony Blair on the economic opportunities of fighting climate change.

(B) **Berger memo on Baku-Ceyhan pipeline progress** – updates you on progress toward an agreement on a main export oil pipeline from Azerbaijan to Turkey (and press coverage that recognizes our Caspian energy policy is working). Presidents Aliyev and Demirel are pushing for a Turkey/Azerbaijan/Georgia agreement to be signed at Istanbul, a first step toward other agreements between energy companies and transit states, and agreements on financing and construction. To keep the process moving, we need producers to commit their volumes to the pipeline and Turkey to show that its pipeline from Ceyhan to Georgia will arrive by 2004 when companies will need expanded oil export capacity.

(C) **Berger memo on NYT article on Russian reform** – in response to your question about the attached article, Sandy reports that he agrees with the thrust of some of the authors' suggestions and that we're engaged in efforts on several of them -- capital will only return to Russia when Russia becomes integrated in the global economy (we've focused IMF and World Bank reforms on improving the investment climate; Janet Reno led a delegation to a successful G-8 ministerial in Moscow on crime); supporting NGOs and small business development is "right on target" (we've redirected most of our bilateral aid for these purposes); and creating mechanisms to track suspicious financial flows is a

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John E-
brief update
memo for
FOTUS.

Q

To: ECKIND
PMS. DRAFT
SHORT DRAFT
MEMO FOR
FOTUS.

CASPIAN OIL NEGOTIATIONS BETWEEN COMPANIES AND GOVERNMENTS ON STRATEGIC EXPORT ROUTE ENTER CRUCIAL PHASE

FT 10/19/99

Deal close on financing Baku-Ceyhan pipeline

By Leyla Boulton in Baku

Talks on building a \$2.4bn-\$3bn pipeline to transport oil from Azerbaijan to western markets via Turkey are "very close" to agreeing the basis for financing the project.

Suleyman Demirel, the Turkish president, flew to the Azerbaijan capital Baku yesterday for a meeting with Heidar Aliyev, the Azeri president. The two leaders emphasised the importance of a project which has attracted significant support from the Baku and Ankara governments as well as the US, despite western oil company doubts about the pipeline's commercial viability.

Turkish officials said BP Amoco, leader of the biggest

international oil consortium operating in Azerbaijan, had been "very businesslike" in the negotiations ever since western oil companies were accused by the US of deliberately dragging their feet after two years of talks.

BP Amoco in particular is said to have softened its position recently, although it and its partners in the Azerbaijan International Operating Company (AIOC) are adamant they will not finance the "geo-political" elements of the pipeline.

Agreeing on a framework for financing would, however, be a step forward. It would allow the companies to decide whether they could justify investing in the pipeline on a commercial basis.

The US has exerted strong



pressure on BP Amoco and other AIOC members to finalise terms for a pipeline that Washington views as a tool for isolating Iran and for reducing the former Soviet republics dependence on Russian export routes.

Turkey has guaranteed any cost overruns above its \$2.4bn estimate for the pipeline, although the companies involved are likely to want to see additional alternative financing, such as from the World Bank and other inter-

national institutions, before agreeing to take part.

The proposed pipeline, running from Baku to the Mediterranean port of Ceyhan, would enhance Turkey's access to energy supplies and its boost its role as a regional power.

The BP Amoco-led consortium has been reluctant to rush into endorsing a new pipeline on the grounds that Azerbaijan's oil reserves may not be sufficient to make it profitable. But following US urgings that it seek the support of other producers to make up the necessary volume of oil, the AIOC last week wrote to producers in Kazakhstan, on the other side of the Caspian Sea, asking them when and how much oil they might

commit to Baku-Ceyhan.

BP-Amoco said yesterday the talks were making "good progress" but that three or four issues had yet to be resolved. The company stressed that after documents setting out the terms for commercial investment in a pipeline had been agreed with the governments of Turkey, Azerbaijan and Georgia further steps were needed before a pipeline could be built.

The oil companies would still have to secure sufficient volumes to make the project attractive to lenders and oil company shareholders.

Turkey hopes agreement will be ready for signing at next month's Organisation for Security and Co-operation summit in Istanbul.

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THE PRESIDENT HAS SEEN

11-13-99 '99 NOV 10 PM 4:24

OFFICE OF THE VICE PRESIDENT
WASHINGTON

MEMORANDUM TO THE PRESIDENT

FROM: David W. Beier, Chair, Electronic Commerce Working Group
DATE: November 10, 1999
RE: Bridging the International Digital Divide

Recently you and the First Lady conducted a Millennium evening on Informatics and Genomics. During the discussion the question of a "digital divide" arose. You expressed the concern that the least advantaged among the family of nations not be left behind.

As a follow up, I thought it might be useful for you to know that, at your direction, we have already underway a project to bring modern telecommunications and e-commerce to the developing world. The attached memo describes those efforts.

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Podesta*

THE WHITE HOUSE

WASHINGTON

November 10, 1999

MEMORANDUM FOR THE PRESIDENT

From: David Beier, Chair, Electronic Commerce Working Group
Audrey Choi, Chief of Staff, Council of Economic Advisers
Tom Kalil, National Economic Council

Subject: President's Initiative on Internet for Economic Development

Last fall, you called for a new Presidential initiative to help expand the use of Internet and E-Commerce to developing countries. Since your directive, an interagency group (including State, USAID, Commerce, FCC, Energy, and Peace Corps) has been working with a group of developing countries who have expressed a commitment to pursue open, competitive markets and a desire to use the Internet to improve the lives of their citizens. The 11 countries that have been chosen as the first participants in the initiative are Haiti, Jamaica, Guatemala, Guinea, Ghana, Mozambique, South Africa, Uganda, Morocco, Egypt and Bulgaria.

The initiative has four main objectives:

- Encourage a pro-competitive policy and regulatory environment
- Spur the deployment of advanced information infrastructure to remote and urban areas
- Foster specific applications such as micro-e-commerce, telemedicine and distance education
- Provide education and training to entrepreneurs, community members and policy makers.

In each of the 11 countries, the U.S. Ambassadors and U.S. AID mission directors have been working actively to promote these goals. Examples include:

- In Guatemala, the U.S. Embassy proposes to facilitate establishment of an Internet-based marketing facility for an indigenous cooperative producing handicrafts.
- In Guinea, USAID is using Internet infrastructure installed by the Leland initiative to extend and track micro-enterprise loans to several thousand Guinean women.
- In Uganda, the FCC is providing training and technical assistance to the Ugandan Communications Commission. USAID and the World Bank are installing computer labs, Internet access and teacher training in up to 100 schools and teacher training institutes.

In addition, the U.S. Telecommunications Training Institute (USTTI) supports the initiative, hosting e-commerce training seminars for leaders from each of the countries. USAID provides USTTI with \$500,000 per year. We have also been coordinating closely with the World Bank's programs in this area. On Nov 9-10, the World Bank is hosting a major conference in Washington on "The Networked Economy: What is at Stake for the Developing World."

Future Funding

Currently, the initiative has relied on leveraging of existing programs or targeting of existing funds – largely from the USAID missions' country budgets. AID is requesting \$2 million in its FY2001 budget request. Given the importance of this initiative, however, we believe this level of funding is not adequate. We are developing a more expansive proposal for the FY2001 budget that would allow us to work with developing countries to expand the reach of the Internet to isolated communities, help them create the right policy environment for the Internet, train Internet experts in developing countries, and promote applications such as telemedicine, e-commerce, and distance learning.

THE PRESIDENT HAS SEEN

11-13-99

good idea (Larry offered to help his counterpart create a Russian Financial Intelligence Unit for law enforcement).

*cc: Guss
Sandy*
✓
(1) **David Beier memo on bridging the international "digital divide"** – responds to your concern about the digital divide, raised at the recent Millennium evening on Informatics and Genomics, and provides a memo on a project already underway to bring modern telecommunications and e-commerce to the developing world that was developed in response to your directive on this issue last fall; an interagency group has been working with 11 countries committed to pursuing open, competitive markets and using the Internet to improve the lives of their citizens.

✓
(1) **Ucelli memo on executive actions** – responds to your request for information on executive action you've taken and provides a fact sheet and talking points.

This week, at NSC's request, we executed the following items on your behalf:

✓
✓
Serbian Proclamation – as announced by Sandy yesterday, this proclamation broadens the Secretary of State's authority to suspend entry into the U.S. of (a) Yugoslavian officials who have been carrying out repressive policies against the population in Kosovo and (b) financial supporters of the Milosevic regime.

✓
Drug Majors list – we sent to Congress the list of major drug producing and drug transit countries, which is identical to last year's list except that Aruba and Belize have been removed; the congressional notification would also add North Korea as a country of concern and designate Central America and the Eastern and Southern Caribbean as regions of concern. This is step one of a two-step process; your decisions about certifications/waivers are made annually on March 1.

Copied
Ibarra
Podesta

'99 NOV 12 PM 5:58

THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS SEEN
11-13-99

November 12, 1999

MEMORANDUM FOR THE PRESIDENT

FROM: Mickey Ibarra
JL for ML

SUBJECT: Office of Intergovernmental Affairs Weekly Report – November 8-12, 1999

WTO

City and County Officials' Forum: On November 9, IGA and USTR met with King County representatives to prepare for the "Global Forum" for city and county elected officials. The forum, cosponsored by NACO and the U.S. Conference of Mayors, will take place on November 30 and December 1, 1999. We have invited 200 city and county officials to attend. The organizing committee requested that the Administration be represented at the forum.

Governors' Forum: NGA will host an International Trade Forum for governors on November 29, 1999. NGA is working closely with the Alliance for Trade on this forum. Governors, who are expected to attend, include Tom Carper (D-Delaware), Gary Locke (D-Washington), Tom Vilsack (D-Iowa), Christine T. Whitman (R-New Jersey) and Dirk Kempthorne (R-Idaho). NGA would like for Secretary Albright and Secretary Glickman to participate in the forum.

GOVERNORS

NGA Letter: NGA wrote to thank you for your leadership during the FY 2000 budget negotiations in helping to protect the Governors' priority programs, including Title XX/Social Services Block Grant (SSBG), Temporary Assistance for Needy Families (TANF), Medicaid, Children's Health Insurance Program (CHIP), child support, and education training programs. They also reiterated their adamant opposition to proposed cuts in funding for SSBG and any reduction in the percentage of the TANF block grant that states can transfer to SSBG.

Governor Hunt (D-NC): Governor Hunt continues to advocate for more appropriations in the FY 2000 budget negotiations. Jack Lew and Sally Katzen, at John Podesta's request, continue to address North Carolina's concerns.

STATE LEGISLATORS

West Virginia: IGA hosted a meeting for Speaker Kiss and Majority Leader Martin of the West Virginia Legislature with George Frampton. The West Virginia officials pushed for White House support for Senator Byrd's surface mining rider. George indicated that we are aware of the economic and political issues arising from the court decision prohibiting certain types of surface mining, but we are unlikely to support the Byrd proposal.

11-13-99

MAYORS

Mayor Serna (D-Sacramento, CA): On November 10, I represented you at Mayor Serna's memorial service. The Serna family was very appreciative of your phone call and the letter I delivered on your behalf. The Vice President also spoke to Isabel by phone.

Mayor Daley (D-Chicago, IL): On November 9, Secretary Cuomo met with Maria Echaveste and me to discuss Mayor Daley's continuing concerns about the plan to overhaul the Chicago Housing Authority. Secretary Cuomo expressed his commitment to resolve this matter. We expect senior officials of HUD and Chicago to meet to discuss their plan next Thursday.

INSULAR AREAS

Vieques Bombing Practice: House Resources Committee Chairman Don Young (AK) opposed cutting benefits for Puerto Ricans and using force to secure the Vieques range. He stated that the Puerto Ricans' will should prevail with regard to Vieques and said that the islands' nonvoting status is the root of the Vieques problem. Additionally, Ranking Democrat George Miller (CA) and several House Democrats sent you a letter calling for a moratorium on Vieques bombing practice. *He's right*

Senate Readiness Subcommittee Chairman James Inhofe (OK), Armed Services Committee Chairman John Warner (VA), and Majority Leader Trent Lott (MS) proposed a Senate resolution calling for the resumption of target practice by the *Eisenhower* battle group early next month. The resolution, which is opposed by Senators Larry Craig (R-ID) and Daniel Moynihan (D-NY), is not expected to pass.

Puerto Rican leaders reacted angrily to Senator Lott's suggestion that funding proposals for Puerto Rico may be cut if Puerto Ricans continue to prevent use of the range. Lastly, Governor Pedro Rossello (D) was surprised to learn that Secretary Cohen would make a recommendation to you regarding Vieques without first talking to him, as the Secretary had earlier indicated he would.

Rum Tax Revenue: Senate Finance Committee Chairman Bill Roth (DE) agreed with House Ways and Means Committee Chairman Bill Archer (TX) to drop from the tax extenders package the provision transferring to Puerto Rico and the Virgin Islands for 18 months \$3 per gallon of the tax on rum not made in the States. Chairman Roth also agreed to drop from that legislation the extension to Puerto Rico of the Research and Experimentation Tax Credit.

OLYMPIC GAMES

At the invitation of General McCaffrey, I will participate with him at the International Summit on Drugs in Sport in Sydney, Australia on November 14 through 17. Our objective is to further international consideration of the independence, composition, and authorities of the World Anti-Doping Agency proposed by the International Olympic Committee. We are hoping to reach the required consensus in time for both the Sydney Olympic Games and the Salt Lake Olympic Games.

THE PRESIDENT HAS SEEN

11-13-99

NOV 12 PM 7:41

THE WHITE HOUSE

WASHINGTON

November 12, 1999

copied
Reed
Liu
Podesta

MEMORANDUM FOR THE PRESIDENT

FROM: Bruce Reed
Eric Liu

SUBJECT: DPC Weekly Report

1. Education – Teachers and Class Size Agreement. We wanted to provide details on the teacher quality provisions of Wednesday's agreement to dedicate \$1.3 billion for class size reduction. Under the deal, teachers hired through the program must be certified in their state or have completed an alternative route to certification, must have a baccalaureate degree, and must know the subjects they are teaching and demonstrate the skills to teach them. Districts may spend up to 25 percent of the funds (up from 15 percent last year) on training existing teachers, testing new teachers, or providing high-quality professional development. Districts with high levels of uncertified elementary school teachers also may seek a state waiver in some circumstances to use additional funds to help those teachers meet certification standards in time for the 2001-02 school year. The deal preserves existing provisions to target spending on high-poverty communities.

2. Health Care – Medicare Provider Reimbursement. As you know, we reached tentative agreement with Congress Wednesday on provider "give-back" legislation. The agreement includes about \$11 billion over five years for hospitals, nursing homes, home health agencies, community health centers and other providers. Two key improvements are worth noting: an out-of-pocket limit on hospital outpatient cost-sharing, equal to the current inpatient limit of \$780; and, for beneficiaries needing immunosuppressive drugs after an organ transplant, an extension of coverage for six months beyond the current three-year provision. The agreement is contingent upon our approval of final statutory and administrative language.

3. Health Care – Jeffords-Kennedy Update. The funding impasse over this bill continues. Some Republicans, fearing that they may be blamed if the bill fails, are attacking the Administration for not providing additional offsets. In fact, we have proposed numerous offsets that Republicans have rejected. We have been constrained too by a unanimous consent agreement in the Senate prohibiting tax offsets, as well as by a message from Republican leaders that Medicare and Medicaid offsets are unacceptable. There is such frustration with the GOP stance that some members of the disability community, with Sen. Kennedy's blessing, have called for a veto. We will make one last push over the next week to finance and fix this bill.

4. Health Care – Organ Allocation. On Wednesday, we reached agreement with Congress permitting the release of the long-awaited regulation requiring organs to be distributed

They -
fixed leaders
+ help

on a "sickest first" basis. The regulation, which has been stalled for over two years, could save hundreds of lives a year. It will be implemented 42 days after enactment of the Labor-HHS bill.

5. Education – Kiryas Joel Village. You asked about efforts to help the Hasidic Jewish community of Kiryas Joel, New York establish a special public school district for disabled students. Because this case centers on the Establishment Clause rather than the Individuals With Disabilities in Education Act, it would be difficult for us to assist the village. The New York high court in recent years has struck down a number of state laws authorizing the village to form a special district; with each rebuff, the legislature has passed a new law re-crafted to pass constitutional muster. Under the latest such law, the village has already established a special school. Although another round of appeals is likely, there is bipartisan determination among state political leaders to find a solution satisfactory to the village.

6. Education/Crime – Bankruptcy Bill Amendment. This week, the Senate passed an amendment to the Senate bankruptcy bill that contains objectionable language on both education and drugs. The Hatch amendment, which passed 50-49, would establish vouchers for students in Title I schools who are victims of violent or drug-related crimes. In addition, it would narrow the disparity in penalties for crack and powder cocaine trafficking by sharply raising penalties for the latter. The amendment changes the threshold for mandatory cocaine penalties from 500 grams to 50 grams (5 year penalty) and from 5 kilograms to 500 grams (10 years). Our proposal, by contrast, would both increase powder cocaine penalties and modestly lower crack penalties. It is unclear whether there will be further action on the bankruptcy bill this session.

7. Crime – COPS Funding. As you know, this week we reached with Congress to provide over \$900 million of the Administration's \$1.27 billion request for the 21st Century Policing Initiative. Of the \$900 million provided, \$300 million is an unspent carry-over balance from FY 1999. The agreement will fully fund the first installment of our plan to hire and redeploy up to 50,000 more police officers over the next five years. In addition, the agreement provides \$230 million for law enforcement technology and \$10 million for community prosecutors (our budget requested \$350 million and \$200 million, respectively).

8. Welfare – Fathers and Welfare-to-Work. On Wednesday, the House passed the Fathers Count Act by a broad bipartisan margin. The bill, co-sponsored by Reps. Johnson and Cardin, establishes new grants to promote responsible fatherhood, makes Welfare-to-Work eligibility changes that we had proposed to help states and communities better serve low-income fathers and long-term welfare recipients with existing funds, and revises penalties for states that have not yet complied with certain child support requirements. It does not contain additional funding for Welfare-to-Work for FY 2000. While the Senate will not act on the broader fatherhood issues this year, we are pushing for enactment of the Welfare-to-Work eligibility changes and the child support provisions before Congress adjourns.

9. Welfare – Research on People Leaving Welfare. Eight of the 13 states and counties that received HHS funding to study the impact of welfare reform have released interim reports on families who left welfare in late 1996 or early 1997. The employment, earnings, and recidivism findings from these varied sites are generally consistent with other "leavers studies." Between 50 and 65 percent of former welfare recipients were found to be working immediately

THE PRESIDENT HAS SEEN

11-13-99

after leaving welfare. Between 65 and 75 percent were employed at some point during the year after exit, with average earnings in the quarter after exit ranging from \$2,185 to \$3,868 (the equivalent of \$5.65-\$10.00 an hour assuming a 30-hour work week throughout the period). In all sites, earnings for these former recipients steadily rose throughout the year following exit. However, between 5 and 20 percent of leavers were receiving welfare again within three months, with 24 to 35 percent receiving welfare at some point during the year after exit.

Six of the HHS-funded studies also tracked Medicaid and food stamps enrollment of families leaving welfare. Medicaid participation varied greatly, ranging from 25 percent to 76 percent in the first quarter after exit, with a substantially higher percentage of leavers enrolled in Medicaid at some point during the year after exit. Enrollment generally declined over the year and was slightly higher for children than for adults. Food stamps enrollment in the first quarter after exit ranged from 9 percent to 57 percent, again with a much higher percentage receiving food stamps at some point during the year. The low-end outlier was San Mateo County, which may reflect higher welfare grant levels in California, where families are earning more when they leave welfare and are therefore less likely to be eligible for food stamps and Medicaid.

10. Child Support – Medical Support Orders. On Monday, HHS will announce a proposed regulation to make it easier for children to get health insurance coverage through their non-custodial parents. The regulation creates a standard medical support form to enforce child support agreements that require non-custodial parents to provide for their children's health care needs. The regulation will be released with a statement from you stressing the Administration's commitment to child support enforcement and better health insurance coverage for children.



JIMMY CARTER

99 NOV 13 PM 12:40

November 10, 1999

To President Bill Clinton

Since I know that you already are totally informed about the issues and background of Martin (Marty) J. Hughes' 1987 conviction, I will not go into detail about his case. However, I hope that you have thoroughly reviewed the matter and will grant him the pardon that he clearly deserves.

Sincerely,

Jimmy Carter

The Honorable Bill Clinton
The President of the United States
The White House
Washington, DC 20500-2000

*To Burkhardt for
Reply*

-Sustin

Jimmy Carter

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The President of the United States
The White House
Washington, DC 20500-2000

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VICE PRESIDENT
HUMAN AFFAIRS



United Steelworkers of America



DISTRICT NO. 12
724 EAST 6TH STREET
TEXARKANA, ARKANSAS 71854

TERRY L. BONDS
DISTRICT DIRECTOR

870-772-0777
FAX 870-772-0877

Ann,
Please see that President Clinton
gets these letters.

99 NOV 13 PM 12:39

Sincerely,

Ronnie Walraven

To Burkhardt
to handle reply

(Reply to Ronnie Walraven)

Pres. Jon - L. Van Jefferson Clinton
500 Parkway, Yukon, N.E.
Washington DC 20500

11-5-99

Dear President Clinton,

China should show that they can obey
Trade Laws in Effect now before they are more status
as a Trading Partner.

Les Van Houten
Les Van Houten
1320 Wilcox Ln
Yukon, OKla. 73099

Dear Pres Clinton

Allowing China to join
the World Trade Organization
while China uses prison labor
to produce industrial goods gives
China an unfair advantage.

Tim O'Connor
748 OKIRIDGE
TYKON OK
73099

President William Jefferson Clinton
1600 Pennsylvania Avenue
Washington D.C. 20500

Dear President Clinton,

China does not allow its workers to join
free labor unions and should not be a member
of the WTO until Chinese workers have work
rights.

ALTON High
325 NW 87
OKla. city OKla. 73114

11-05-79
President William Jefferson Clinton
1600 Pennsylvania Avenue
Washington D.C 20500

Dear President Clinton,

China should show that they
can obey trade laws in effect now
before they are granted more status
as a trading partner.

Marla Schovanec
Rt 1 Box 174C
Macomb OK 74852

President William Jefferson Clinton
1600 PENNSYLVANIA AVE.
WASHINGTON D.C. 20500

DEAR President Clinton

TAKE the log out of your
OWN EYE before you tell me
to take the splinter out of mine
so therefore that how I FEEL
About China. I think China should
enforce intellectual property rights
laws before allowed into the
W.T.O.

KEN HARVEY
8300 RAYBURN
OKC OKLA 73149

President William Jefferson Clinton
1600 Pennsylvania Avenue
Washington D.C. 20500

Dear President Clinton

allowing China to join the World
Trade Organization while China uses
prison labor to produce industrial goods
gives China an unfair advantage.

Stanley Blum
3009 S.E. 55th
Okla. City, Okla
73135

The thought of permitting China to join the World Trade Organization is an outrage. ~~Any~~ ^{any} country that ~~uses~~ ^{uses} prison labor camps to produce industrial products and ~~not~~ ^{threaten} not allow free labor ~~movement~~ ^{and} ~~perpetuate~~ ^{to} ~~the~~ ^{unmake} ~~the~~ impact this will have on a ~~lot~~ ^{of} workers who oppose ~~the~~ ^{to} free labor unions should never be entitled to become a member of the WTO. Let our actions make the WTO a more democratic and accountable institution in the years to come.

John Howell

November 5, 1999

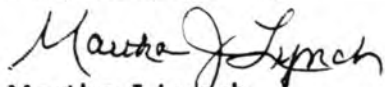
President William Jefferson Clinton
1600 Pennsylvania Avenue
Washington, D. C. 20500

Dear President Clinton:

Re. allowing China to join the World Trade Organization, you certainly know how to scare an American grandmother. Please do not dash the hopes of my grandchildren growing up in the land of the free. I do not want Communist China to be dominant in any way in any place. This is not a place to compromise.

Speaking of grandchildren, do you know how hard it is to shop for Christmas gifts that do not have MADE IN CHINA stamped somewhere on it? Many times I come back from the mall empty-handed.

Very truly yours,



Martha J Lynch
4500 N. Donald Ave.
Bethany, OK 73008

I Didn't Speak Up

In Germany, the Nazis first came for the communists, and I didn't speak up because I wasn't a communist. Then they came for the Jews, and I didn't speak up because I wasn't a Jew. Then they came for the trade unionists, and I didn't speak up because I wasn't a trade unionist. Then they came for the Catholics, and I didn't speak up because I was a Protestant. Then they came for me, and by that time there was no one left to speak for me.

By Rev. Martin Niemoeller, a German Lutheran pastor who was arrested by the Gestapo in 1938 and sent to Dachau concentration camp until he was freed by the Allied Forces in 1945.

President William Clinton
1600 Pennsylvania Ave.
Washington D.C. 20500

Dear President Clinton,

Granting China admission into the World Trade Organization would be condoning their use of child labor, prison labor and give credence to their kangaroo court system. Their behavior would condemn millions of their people to lives of forced slavery.

Their admission to the W.T.O. would affect the working people around the globe.

Instead of condoning China's lower standards concerning human rights, force them to a greater goal. Force them to a standard that will benefit workers around the world. Do not allow them W.T.O. status.

David W. Clymes
8203 Chuckawalla
Mukwonago, Ill. 73099

RECEIVED IN THE OFFICE OF THE
100 PENNSYLVANIA AVE
WASHINGTON DC 20500

DEAR PRESIDENT CLINTON,

11-5-99

I STRONGLY DISAGREE WITH ALLOWING
CHINA TO JOIN THE WORLD TRADE ORGANIZATION.

CHINA HAS REPEATEDLY SHOWN IN THE PAST
THAT THEY WON'T ABIDE BY CURRENT TRADE
LAWS THAT ARE NOW IN EFFECT. WHY SHOULD WE
EXPECT THEM TO BE ANY DIFFERENT AS A MEMBER
OF THE W.T.O.

CHINA'S ABUSE OF HUMAN RIGHTS IS ANOTHER
REASON TO REFUSE THEIR MEMBERSHIP. EVEN WITH
THEIR WORKFORCE, WHICH IS THE STRENGTH AND
BACKBONE OF ANY COUNTRY, THE ABUSE ABIDES.

NOT ALLOWING YOUR CITIZENS TO JOIN FREE LABOR
UNIONS IS APPALING AT THE VERY LEAST.

UNTIL CHINA SHOWS RESPECT TOWARDS
THEIR OWN PEOPLE, ALLOWS IT'S OWN WORKERS
TO BE FREE TO FORM FREE UNIONS, AND PROVE
THAT THEY CAN BE TRUSTED TO OBEY THE
TRADE LAWS NOW IN EFFECT, I URGE YOU TO
PLEASE DENY CHINA MEMBERSHIP INTO THE
WORLD TRADE ORGANIZATION.

Respectfully,



GENE R. MCKENNA

9608 S. TRAFALGAR DR.

OKLA CITY, OK. 73139-5306

Dear President Clinton,

China should show that they can obey trade laws in effect now before they are granted more status as a trading partner. If we keep letting this go on our children and grandchildren we be working in these condation here in the U.S. I'm asking you to put pressure on China to give they workers some rights. Like we have here in the U.S. Maybe if they had some rights our jobs wouldn't be going overseas.

Mark Van Houten
4713 Wilcox Ln
Yukon, OKla 73099

Dear President Clinton,

China does not allow its workers to join free labor unions and should not be a member of WTO until Chinese workers have worker rights. Also they are a major producer of greenhouse gases and should not be a member of WTO until they agree to fair environmental standards. China should show that they can they trade laws in effect now before they are granted most states as a trading partner. America should insist that China give its people more freedoms before allowed into the WTO.

Respectfully yours,

Robert P. Furew

President William F. Clinton
1600 Pennsylvania Ave
Washington D.C. 20500

Dear President Clinton,

China is becoming one of the major producers of greenhouse gases and should not be a member of the WTO until they agree to higher environmental standards.

China does not allow its workers to join free labor unions and should not be a member of the WTO until Chinese workers have workers rights.

Thank You
James A. Reed
1121 Cavalier Dr.
Moore, Okla 73160

President William Jefferson Clinton
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear President Clinton,

Allowing China to join the World Trade Organization while China uses prison labor to produce industrial goods gives China an unfair advantage.

China does not allow its workers to join free labor unions and should not be a member of the WTO until Chinese workers have workers rights

Glen Richards
10352 Bellview Dr.
Midwest City, OK.
73130

President William Clinton
1600 Pennsylvania Ave
Washington D.C. 20500

Dear President Clinton,

Please don't allow China to join
the World Trade Organization while
China uses prison labor to produce
industrial goods.

Mr. President - China does not allow
its workers to join free labor unions
and should not be a member of
the WTO until Chinese workers
have workers rights.

China should show that they
can obey trade laws in effect now
before they are granted more status
as a trading partner.

Thank You
Ola M. Beck
1121 Cavalier Dr.
Moore, OK 73160

President William Jefferson Clinton
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear President Clinton,

America should insist that China
give its people more freedoms before
we allow China into the WTO.

Joshua Richards
10352 Bellview Dr.
Midwest City, OK.
73130

To President William Jefferson Clinton
1600 Pennsylvania Avenue
Washington DC 20500

Dear President Clinton

I do not wish to see China become
a member of the World Trade Organization

If the people can't be allowed to
join labor union.

Sincerely Johnny Mayberry
2211 NE St Luke
Midwest City Oklahoma

73141

November 5, 1999

President William Jefferson Clinton
1600 Pennsylvania Avenue
Washington, D. C. 20500

Dear President Clinton:

In light of China's most recent espionage activities against the United States, I don't believe it would be in the best interest of our national security to grant China anything but the suspicions they deserve.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Tony Carr', with a long horizontal flourish extending to the right.

C. A. "Tony" Carr
6901 N. W. 22nd Street
Bethany, OK 73008

President William Jefferson Clinton
1600 PENNSYLVANIA
WASHINGTON D.C. 20500

Don't let China join the WTO.
without setting some kind of regulations
that would be in line with the rest
of the WTO. To let them use
prison work for a trade is simply
unacceptable to the rest of us.

Timothy G. J. Jr.
OKE. OK 73119

President William Jefferson Clinton
1600 Pennsylvania Avenue
Washington D.C. 20500

Dear President Clinton

China should show that they can obey
trade laws in effect now before
they are granted more status as a
Trading Partner

DON WORTHY
10717 N. Admiral Dr.
OKLAHOMA CITY, OK. 73162

President William Jefferson Clinton
1600 PENNSYLVANIA AVENUE
WASHINGTON D.C. 20500

Dear President Clinton,

Allowing China to join the World Trade Organization while China uses prison labor to produce industrial goods gives China an unfair advantage.

China should show they can obey trade laws in effect now before they are granted more status as a trading partner.

CARRY CONAWAY
RT6 Box 104
Blanchard, OK 73010

President William Jefferson Clinton
1600 Pennsylvania Ave.
Wash. D.C. 20500

Dear President Clinton,

Allowing China to join the World Trade Organization while China uses prison labor to produce industrial goods gives China an unfair advantage.

Earl Gilmore
Rt 6. Box 40 H
Blanchard OKLA
73010

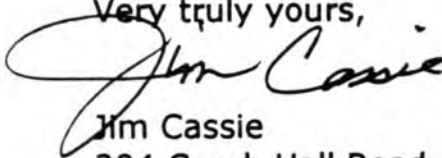
November 5, 1999

President William Jefferson Clinton
1600 Pennsylvania Avenue
Washington, D. C. 20500

Dear President Clinton:

China does not allow its workers to join free labor unions and should not be a member of the World Trade Organization until Chinese workers have workers' rights.

Very truly yours,

A handwritten signature in black ink, appearing to read "Jim Cassie". The signature is fluid and cursive, with the first name "Jim" and last name "Cassie" clearly distinguishable.

Jim Cassie
304 Czech Hall Road
Tuttle, OK 73089

President Jefferson Clinton
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear President Clinton,

China does not allow its workers to join
free labor unions and should not be a
member of the World Trade Organization
until Chinese workers have workers rights.

Lynette Shell
1916 N. Donald
Oklahoma City, OK 73127

President William Jefferson Clinton
1600 Pennsylvania Avenue
Washington D.C. 20500

Dear President Clinton,

Allowing China to join the WTO while China uses prison labor to produce industrial goods gives China an unfair advantage. Also America should insist that China give it's people more freedoms before we allow China into the WTO.

Jeremy Williamson
120 NW 3rd
Geary, Ok. 73040

President William Jefferson Clinton

Dear President Clinton

BECAUSE China does not allow
its workers to join free labor unions
it has an unfair labor advantage

UNTILL China grants this to
its workers I feel they should not
be allowed into the World Trade
Organization.

Please help American workers
on this issue

Thank you

Paul S. Bourque

U.S.W.A. Local
998

President William Jefferson Clinton
1600 PENNSYLVANIA AVENUE
WASHINGTON D.C. 20500

Dear President Clinton,

Please do not push for CHINA'S membership in the WTO until CHINA show more reform in democracy, workers rights, prison labor, environmental standards, intellectual property rights and the ability to enforce current laws.

Jesse Isbell
1916 N. DONALD
OKLAHOMA CITY, OK. 73127

dear President Clinton

i don't think that China should be able to
use prison labor to produce there products.

for M^cCurley

1201 North Fritz Apt 86 73003

Edmond Okla

President William J. Clinton

1600 Pennsylvania Avenue

Washington D.C. 20500

Dear President Clinton,

Allowing China to join the World Trade Organization while China uses prison labor and child labor to produce industrial goods gives China an unfair advantage in the global economic market.

China does not allow its workers to join free labor unions and should not be a member of the WTO until Chinese workers have rights provided to them under law. America should insist that China allow their work force more freedoms before ~~the~~ China is allowed into the WTO.

Brad Hall

717 Westridge Dr

Tulsa, OK 73099

... don't want China ...
... the WTO Agreement. China is
... their workers and pay
low wages and that their workers
... and we don't want them
... with our country. We have EPA
standards and they don't even
compare to our standards. We can't
compete with them and it would be
unfair to try to compete.

Yancey
Steven Farnell
Local 752
Box 1, Box 1550
Tucson, Arizona 85712
7/15/54

PRESIDENT WILLIAM JEFFERSON CLINTON
1600 PENNSYLVANIA AVENUE
WASHINGTON D.C. 20500

DEAR PRESIDENT CLINTON,

ALLOWING CHINA TO JOIN THE WORLD TRADE ORGANIZATION
WHILE CHINA USES PRISON LABOR TO PRODUCE INDUSTRIAL GOODS
GIVES THEM AN UNFAIR ADVANTAGE.

WHY DO WE WANT TO ALLOW A COUNTRY IN THAT DOES NOT
AGREE TO FAIR ENVIRONMENTAL STANDARDS.

Paul Stevens
1301 CANYON LAKE ROAD
GALUMET OK 73014

PRESIDENT WILLIAM JEFFERSON CLINTON
1600 PENNSYLVANIA AVENUE
WASHINGTON D.C. 20500

Dear President Clinton,

Allowing China to join the World Trade Organization while they use prison labor to produce industrial goods gives China an unfair advantage.

China should show that they can be trusted to obey trade laws in effect now before they're granted more status as a trading partner.

Dennis Packham
3820 Seaward Circle
Yukon, OK 73099

PRESIDENT WILLIAM JEFFERSON CLINTON
1600 PENNSYLVANIA AVENUE
WASHINGTON D.C. 20500.

DEAR PRESIDENT CLINTON,

ALLOWING CHINA TO JOIN THE ~~WORLD~~ WORLD
TRADE ORGANIZATION WHILE CHINA USES PRISON
LABOR TO PRODUCE INDUSTRIAL GOODS GIVES
CHINA AN UNFAIR ADVANTAGE. CHINA SHOULD NOT
BE ALLOWED TO JOIN UNTIL THEY CAN SHOW
THEY CAN OBEY THE TRADE LAWS THAT ARE
NOW IN EFFECT

JACKIE G. WHITTEN
RT 2 BOX 65 A
WEHLSTON, OKLA, 74881

PRESIDENT WILLIAM JEFFERSON CLINTON
1600 PENNSYLVANIA AVENUE
WASHINGTON D.C. 20500

China is becoming one of the major
producers of greenhouse gasses and should
not be a member of the World Trade
Organization until they agree to fair
environmental standards.

DARRELL B. MUELLER
Darrell B. Mueller
2111 JACKSON DV.
NORMAN OK 73071

PRESIDENT WILLIAM JEFFERSON CLINTON
1600 PENNSYLVANIA AVENUE
WASHINGTON D.C. 20500

DEAR PRESIDENT CLINTON

CHINA DOES NOT ALLOW ITS WORKERS TO JOIN
FREE LABOR UNIONS AND SHOULD NOT BE A MEMBER OF THE
WTO UNTIL CHINESE WORKERS HAVE WORKER RIGHTS

RUFUS VANCE JR
928 W. MITCHELL DR
MIDWEST CITY, OK. 73110

PRESIDENT WILLIAM JEFFERSON CLINTON
1600 PENNSYLVANIA AVENUE
WASHINGTON D.C. 20500

Dear President

china does not allow its workers to
join free labor unions and should
not be a member of the WTO until
chinese workers have workers right

Willie D. Kinchior-
10500 SE 87^{1/2} St
Oklahoma city ok 73150

President William Jefferson Clinton
1600 Pennsylvania Avenue
Washington D.C. 20500

Dear President Clinton,

Do not allow China to join the World Trade Organization
until China stops using prison labor to produce industrial goods.

Do not allow China to join the WTO until they give
their workers more rights and freedoms.

Chris Meigs
P.O. Box 502
Blanchard, Ok
73010

Dear President Clinton;

allowing China to join the WTO
while China uses prison labor
to produce industrial goods gives
China an unfair advantage

China should show that they
can obey trade laws in effect
now before they are granted
more status as a trading partner

Richard J Shreve
7532 NW 11TH
Okla. City, OK 73127

President William Jefferson Clinton
1600 Pennsylvania Avenue
Washington D.C. 20500

Dear President Clinton,

America should insist that China give
its people more freedoms before
we allow China into the World
Trade Organization.

Lewery Wolf
12501 SW 70
Yukon, Okla
73099

PRESIDENT William Jefferson Clinton
1600 PENNSYLVANIA AVENUE
WASHINGTON D.C., 20500

DEAR MR PRESIDENT

CHINA HAS ~~NO~~ NO RIGHT TO JOIN THE
W.T.O. UNTIL CHINESE WORKERS HAVE
RIGHTS TO LABOR UNIONS & MORE RIGHTS
AS PEOPLE IN GENERAL! HUMAN RIGHTS
SHOULD BE A PRIORITY BEFORE ALLOWING
CHINA TO JOIN W.T.O. !!

Sincerely

Terry Slaughter

TERRY SLAUGHTER
9721 BLUE BONNET PL.
OKLAHOMA CITY OK ~~73128~~
73128
REGISTERED DEMOCRAT!

President William Jefferson Clinton
1600 Pennsylvania Ave.
Washington D.C. 20500

President Clinton:

Allowing China to join the World Trade Organization
while China use prison labor to produce industrial
goods gives China an unfair advantage.

Rf Wernli

R.J. Wernli

632 PARK DR.

Tukon, OK 73099

President William Jefferson Clinton
1600 Pennsylvania Ave
Washington D.C., 20500

Dear President Clinton,

I disagree in ~~the~~ allowing China to join in the WTO. I believe that no country should be allowed into the country in which citizens do not have the rights to organized work forces or the rights of being just people. They must be made to obey trade laws in effect. I totally disagree in using prison labor to produce industrial goods which would give China an unfair trade advantage.

Allen K Van Meter
6816 Laurel Rd
OK, OK 73162

President William Jefferson Clinton
1600 Pennsylvania Avenue
Washington D.C. 20500

Dear President Clinton,

America should insist that
China give its people more
freedom before we allow
China into the WTO.

Truly
Marion Burch
8301 N Council R. #302
Oklahoma City, Okla
~~73135~~
73132

Dear President Clinton,

Allowing China to join the World Trade Organization while China uses prison labor to produce industrial goods gives China an unfair advantage.

Barbara Petrowicz
3109 SW 95
Okla City, Ok 73159

PRESIDENT William JEFFERSON CLINTON
1600 PENNSYLVANIA AVENUE
WASHINGTON D.C. 20500

DEAR PRESIDENT CLINTON,

DO NOT ALLOW CHINA TO BECOME A
MEMBER OF THE WTO, AT LEAST UNTIL
THEY GIVE THEIR PEOPLE MORE RIGHTS
+ FREEDOM!

DONALD NEW
12805 CENDER DR.
OKLA CITY, OK 73120

President William Jefferson Clinton
1600 Pennsylvania Ave.
Washington DC 20500

Dear President Clinton

China does not allow its
workers to join free labor unions
and should not be a member of
WTO until Chinese workers have
workers environment standards

Barla Z Keeler
18100 Kendall Ln
Noble OK 73068

President William Clinton
1600 Pennsylvania Avenue
Washington DC 20500

Dear President Clinton,

Trade Laws in effect right now
are being ignored by China. As an
international trading partner, all the
agreements now in effect must be
obeyed so that an open trade agreement
with China can be granted.

Gerald Elkins
2508 W. Olympic Drive
Yukon, Oklahoma 73099

President William J. Clinton
1600 Pennsylvania Ave.
Washington D.C. 20500

I believe that China should
show that they can obey trade laws
in effect now before they are granted
more status as a trading partner.

Democrat, David A. Eckerd
1521 E. Forster
Mustang, OK. 73064

President William Jefferson Clinton
1600 Pennsylvania Avenue
Washington D.C. 20500

Dear President Clinton,

Dont allow China to join the World
Trade Organization with out change in
their attitude in giving rights to their
people,

President William Jefferson Clinton
1600 Pennsylvania Ave.
Washington, D.C. 20500

I feel allowing China to join
the World Trade Organization while
China uses prison labor to produce
industrial goods gives China an
unfair advantage.

Robert E. Askey
324 S. 8th
Kingfisher OK 73750

President W. J. Clinton
1500 Independence Ave
Washington D.C. 20500

Allowing China to join the World
Trade Organization is a slap in the
face to labor, with China poor record
of human right violation. I urge
you to consider this when you
vote

Q L Math
813 E. Russell Rd
Ft. Lauderdale, FL 33304
75047

President William Jefferson Clinton
1600 Penn Ave
Washington DC 20500

Dear President Clinton,

China should enforce intellectual
property right laws before allowed into
the W.T.O

Harold Banks

1112 NE 25

Mohe OK 72160

Kenneth Howell
RTS Box 1279
Muldrow OK. 74948

DEAR MR. CLINTON;

I MAY be JUST A "Good ole Boy" FROM OKLAHOMA AND maybe I don't keep up on WORLD AFFAIRS AS MUCH AS I SHOULD BUT THERE ARE A FEW THINGS I DO KNOW. FOR INSTANCE, NAFTA HAS BEEN A DISMAL FAILURE FORCING down WAGES ALL THROUGHOUT NORTH AMERICA. THE COMPANY I NOW WORK FOR AND HAVE BEEN WORKING FOR SINCE 1976 IS IN THE PROCESS OF NEGOTIATING FOR A PLACE TO OPEN A PLANT IN MEXICO.

I ALSO KNOW THE WTO IS PUSHING FOR WHAT WOULD AMOUNT TO A WORLD-WIDE NAFTA AND I KNOW THAT OUR "FREE-TRAITOR" LEGISLATORS IN WASHINGTON DC DO NOT HAVE THE GUTS TO STAND UP FOR U.S. WORKERS AGAINST THE WTO. THE CURRENT STEEL CRISIS PROVES THAT.

NOW TO ADD INSULT TO INJURY, WITH ALL DUE RESPECT MR. PRESIDENT, YOU WANT TO HELP CHINA become A MEMBER OF THE WTO. IT IS BAD ENOUGH THAT WE HAVE TO COMPETE WITH LOW WAGE COUNTRIES BUT IT WILL BE IMPOSSIBLE FOR US TO COMPETE WITH CHINA'S SLAVE LABOR.

PLEASE don't let CHINA in the WTO, IN FACT we need YOU TO DO ALL YOU CAN TO STOP THE WTO ALL TOGETHER.

MR. PRESIDENT, I HAVE BEEN A BILL

CLINTON SUPPORTER FROM THE BEGINNING
AND I AM STILL A BILL CLINTON
SUPPORTER BUT I CANNOT AGREE WITH
YOU ON THIS ISSUE, I SAY ALL
THIS WITH THE UTMOST RESPECT FOR
YOU AND WE, THE AMERICAN WORKERS
NEED YOUR HELP.

THANKS FOR YOUR TIME

SINCERELY

Kenneth Howell

£101 Towson #217
Ft. Smith AR 72901
Nov. 5, 1999

Hon. William Clinton
President of the United States of America
1600 PENNSYLVANIA AVE
WASHINGTON, DC. 20500

Dear Pres. Clinton:

China must not be allowed to join the
WTO.

UNITED STATES WORKERS must be able to
survive and trying to compete with SLAVE LABOR
would be intolerable. By using their products
we would be condoning a practice we banished
in the U.S. in 1863.

Please don't let China into the WTO.

Sincerely,
Jana Crofford Slade

William J. Clinton
United States President
1600 Pennsylvania Ave.
Washington, D. C. 20500

Laura Hill
P.O. Box 247
Greenwood, AR
72936-0247

Dear Sir:

The United States of America fought a civil ^{war} to end slavery in this country. And the way it stands, we are near to slavery of our jobs now and to our government the way it is now. That our government would be so low to supporting slave China's bid to the WTO, would you not ^{be} supporting slave labor and other inhuman rights acts against our U.S. workers? This ^{is} not China, this is our U.S. of America, not China and wish to keep it U.S.A.

Please do not let China into the WTO, we chose to stay the U.S.A., have our constitutional rights as we have.

Yours Truly
Laura Hill

P.S. Don't erode our U.S.A. by letting China into the WTO.

Bill Clinton, President
United States of America
1600 Pennsylvania Ave
Washington, D.C.

Dear President Clinton:

U.S. workers absolutely cannot compete with slave
labor and they should not have to.

The workers of Arkansas have supported you since
your first run for Arkansas Attorney General. Please
support us now!

Do not let China into the W.S.O.

Sincerely,

Sam Clemmons

Vice President of Local 782
O.S.W.A. 5500 South 2
Box Smith, Ark 72401

Jonja H. Anderson
621 Xaver Apt. 7
St. Smith, Ark. 72901

The Honorable Bill Clinton
President of the United States
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear Mr. Clinton:

The leaders of this country must stop
kow-towing to the WTO. It is time to
stand up for the workers of America.

We are already working more,
producing more and being paid less,
because we are competing with
countries who do not value their
workers and give them enough
pay to live on.

Now we are being asked to compete
with slave labor in China! Enough
is enough. Keep China out of the WTO.
Better still, stop the WTO.

Very Sincerely Yours,

Jonja H. Anderson

The Honorable Bill Clinton
1600 Pennsylvania Ave
Washington D.C.

Dear President Clinton:

Please do advocate China's
entrance into the R.C.

One must not support
countries who do not ensure
their workers a livable wage

Sincerely

Laurinda J. Quade
5102 South 24th apt 3
Ft. Smith, Ark 72901

1600 Pennsylvania Ave.
Washington, D.C. 20500

Dear President Clinton;

U.S. workers cannot compete with
China's slave labor. China also utilizes
child labor and prison labor.

Until China treats their workers
fairly, they should not be allowed into
the WTO.

Support American workers - not
Chinese Government greed.

Bea Berne
102 Amhurst Lane
It. Smith, Ar.
72908

Dear Phil

I am writing you to express my concern about being able to enter into the WTO Agreement. We don't need them involved any way on trade laws because of their low wages & the work conditions they have their workers work under. There is no way that our work force can compete with China on wages and benefits. They will dump their products in the United States and cause our company's to go out of business & we will lose our jobs and we make decent wages and pay taxes which keeps the government going.

F. L. Williams
Phil Williams
1414 Trexler Rd
Texarkana Texas
75501
Member USWA Local 752
Texarkana AR



United Steelworkers of America

AFL-CIO/CLC

CHARLES STARKS, President
DAVID BOONE, Vice President
JOEL OSEURN, Secretary
DOUG HALTEL, Treasurer

RUBBER/PLASTICS INDUSTRY CONFERENCE

Local Union No. 752
3800 Washington Street
Texarkana, Arkansas 71854-5804
501/772-0356
Fax 501/772-8035

President Bill Clinton
1600 PENNSYLVANIA AVE. NW
WASHINGTON D.C. 20500

DEAR MR President,

I AM President of USWA Local 752 AND
WE REPRESENT 1300 PEOPLE WHO WORKS AT
COOPER TIRE & RUBBER COMPANY. OUR MEMBERS
EARN good wages AND we have good BENEFITS
WITH the COMPANY. WE WORK WELL WITH the
COMPANY AND YET we STAND UP FOR OUR
MEMBERS ALSO. WE DON'T WANT A COUNTRY
LIKE CHINA INVADING OUR INDUSTRY AND
TAKING the BUSINESS AWAY FROM OUR
COMPANY AND CAUSING OUR MEMBERS to LOSE
their JOBS. WE URGE your ADMINISTRATION
NOT to let CHINA be INVOLVED in the WTO
OR ANY TRADE AGREEMENTS WITH CHINA

Sincerely
Charles Starks
Local 752



United Steelworkers of America

AFL-CIO/CLC

CHARLES STARKS, President
DAVID BOONE, Vice President
JOEL OSEBURN, Secretary
DOUG HALTER, Treasurer

RUBBER/PLASTICS INDUSTRY CONFERENCE

Local Union No. 732
3600 Washington Street
Texarkana, Arkansas 71854-3804
501/772-0356
Fax 501/772-6035

Dear Pres. Clinton -

I am writing you to ask you to help us by not letting China be involved in the WTO meetings and keep them out of any trade agreements and stop them from importing products into the U.S and cause us to lose our jobs. They pay their workers low wages and work them like slaves. We can't compete with them and wouldn't tolerate their treatment in the USA.

Thank You
Tommy Englebert
Division Chairman Dept 213
2723 Magnolia
Texarkana Texas
75301



United Steelworkers of America

AFL-CIO/CLC

CHARLES STARKS, President
DAVID BOONE, Vice President
JOEL OSBURN, Secretary
DOUG HALTER, Treasurer

RUBBER/PLASTICS INDUSTRY CONFERENCE

Local Union No. 752
3600 Washington Street
Texarkana, Arkansas 71854-5994
501/772-0356
Fax 501/772-8055

William Jefferson Clinton
1600 Penn Ave.
Washington D.C.
20500

Mr. President-

We don't want China involved in the WTO Agreement. We as U.S. Citizens can't trade fairly with them. They pay their workers poverty wages and treat them terrible. We shouldn't trade with countries that treat their workers this way.

David Boone
V. P. Local 752

Dear President Clinton: As a voting
democratic Trade unionist I urge you
not to allow China into the World Trade
Organization. Their human rights; slave
labor; child labor etc. will exclude
them from membership,

Yours Truly
D. S. Scher

LOCAL 4370
U.S.W.A.

(Dear President Clinton): I am a voting Democrat and a member of the United Steel Workers of America. I am writing this letter in concern for you not to allow China into the W.T.O. China's abuse of child labor laws and Prison labor is not tolerable at all. These types of practices, should exclude them from any membership.

Yours Truly
Bruce Hammack
Victoria Texas

President Clinton,

I am a United Steelworker in Point Comfort, Texas. Because of China's unfair labor practices with prisoners and children working as slaves, I urge you ~~to~~ not to allow China into the WTO.

Thank you,

Ernesto Escobar, Jr.

President Clinton,

Mr. President I am writing you today to express my concern on the issues surrounding China's acceptance into the W.T.O.

I am a member of the United Steel Workers labor union and I believe that China's human rights practices are directly opposite of the United Steel Workers and the foundation of the United States.

Child labor and prison labor are directly in opposition with what free labor practices are about. I urge you to think strongly against voting China into the World Trade Organization.

Sincerely,

Matthew Mangum

President Clinton,

I am a voting democrat
and I asking for your help
on not letting China into the
W.T.O. because of there human
rights policies and slave
labour practices.

Thank you:

Vance J. Egg

USWA Local

4370

President Clinton

I am a member of United Steel Workers of America Labor Union. I am writing you this letter to urge you not to allow China into the W.T.O. Their record on human rights stunk and till they get their act together keep them out.

J. A. Rogers
USWA Local 4370
Edna, Texas

President Clinton

I am a member of united steel workers labor union. I am writing this letter to urge you not to allow china into the W.T.O. Because of there human rights policies and there unfair labor practices using children for slave labor I don't feel that chi-a should enjoy the freedom of trade that the W.T.O. will provide

Thank you
GARY Damborsky

PRESIDENT CLINTON

AS A TRADE UNIONIST I URGE YOU
NOT TO LET CHINA INTO THE WORLD TRADE ORG
THEIR POLICIES CONCERNING CHILDREN AND
HUMAN RIGHTS VIOLATIONS ARE ESPECIALLY
TROUBLESOME TO THE PEOPLE THAT WORK
FOR A LIVING. I HOPE YOU LISTEN TO THE
PEOPLE THAT HAVE SUPPORTED YOU THROUGH
THE GOOD TIMES AND BAD.

YOUR FRIEND



PRESIDENT CLINTON,

I AM A VOTING DEMOCRAT AND A
MEMBER OF THE UNITED STEEL
WORKERS OF AMERICA LABOR UNION.

I AM WRITING YOU THIS LETTER TO
URGE YOU NOT TO ALLOW CHINA
INTO THE W.T.O. AS YOU WELL
KNOW CHINA'S ABUSE OF CHILD
SLAVE LABOR AND PRISON LABOR
ARE APPALLING THERE HUMAN RIGHTS
POLICIES SPEAK FOR THEMSELVES.
(ASA LABOR UNIONIST I BELIEVE THAT
WORKERS RIGHTS ARE NOT JUST
FOR A FEW, BUT FOR EVERYONE
INCLUDING THE HARDWORKING PEOPLE
OF CHINA.

Clay Maxwell
USWA LOCAL 4370
VICTORIA TEXAS

DEAR Mr. President,

I. fully know that you have the
Right to include China in the world

Trade Commission I started case 4/24

not so to this because of their

child labor practices destroy children

and prison labor to do their work

We Americans have fought long & hard

Low Labor practices + 9 stories

believe they should be practiced all

over the world! Please Practice

Let's you have always good for.

Sincerely,
Robert Lee

Dear President Clinton

I am upset about the
way that you are letting China in
to the world trade Organization
where slave child labor, on human
right policies speak for himself.
I urge you to not allow countries
like that free trade.

Marcel Anderson

PRESIDENT CLINTON,

I AM A VOTING DEMOCRAT AND A
MEMBER OF THE UNITED STEELWORKERS
OF AMERICA LABOR UNION.

DUE TO THE ABUSE OF THE CHILD
SLAVE LABOR AND THE PRISON LABOR,
THE VIOLATION OF HUMAN RIGHTS POLICIES
AND RESPECT FOR ANOTHER HUMAN BEING,
I RESPECTFULLY URGE YOU TO NOT LET
CHINA INTO THE W.T.O.

PLEASE DO NOT REJECT MY PLEA.

YOU ASKED ME FOR MY VOTE AND I
GAVE IT TO YOU. NOW I HAVE A
FAVOR TO ASK OF YOU

Charles M. Turner

DATE: 11-4-99

TO: RONNIE WALRAVEN

From: SAM R PANTILL

FAX (719) 566-3272

Phone (719) 566-0561

President of the United States of America
William Jefferson Clinton

Dear Sir,

I am writting on behalf of China joining
the world trade organization. This would
be disastrous. we can't compete with
China's Slave Labor and its not right
the way China treats its working force
unfairly. President Clinton you need to
save the jobs in this great nation that
we live in. The president we don't
want this to happen.

Michael N. Mandanich

528 Starlite

Pueblo, CO 81005

President of The United States of America
William Jefferson Clinton

Dear Mr. President,

I am writing on behalf of China Joining
The World Trade Organization.

This would be devastating. We Can't Compete with
China's Slave Labor and it is not Right The way
China treats it's Workforce unfairly.

Mr. President you need to Save the Jobs in this
Great Nation that we live in.

Mr. President, We as a Nation Cant let this happen.

Thank You

Robert Wm Fox Jr

Robert W Fox Jr

25900 Everett Rd

Pueblo, Co. 81006

(719) 583-9422

PRESIDENT OF THE UNITED STATES OF AMERICA
WILLIAM JEFFERSON CLINTON

DEAR SIR,

I AM WRITTING ON BEHALF OF CHINA JOINING
THE WORLD TRADE ORGANIZATION. THIS WOULD
BE DEVASTATING. WE CAN'T COMPETE WITH
CHINA'S SCARE LABOR AND IT IS NOT RIGHT
THE WAY CHINA TREATS IT WORKING FORCE
UNFAIRLY. PRESIDENT CLINTON YOU NEED TO
SAVE THE JOBS IN THIS GREAT NATION THAT
WE LIVE IN. MR. PRESIDENT WE DON'T WANT
THIS TO HAPPEN

11-4-99

Dear Mr President,

This letter is to inform you of my opposition to the admittance of the Republic of China into the World Trade Organization. As an American, a Steel Worker and a Union member I urge you to refrain from allowing China to enter the WTO. China's poor record of human rights violations, lack of labor practices that are fair, as well as the potential for them to dump steel into the U.S. should be more than enough reason to halt their bid for WTO membership.

Sincerely

Arden D. Salomon

1259 W AVENUE 100 SUITE 020 Public Works
Chicago, Illinois 60607

11-64-99

Mr. Pres. Jant

I don't think it is a good idea
to make steel trade agreement with China
for the fact that the steel workers are
having a hard time trying to keep the job
we have. I'm a steel worker and I like
to keep my job.

Ramon Caruso Jr
202 West 50 West
Boulder Colo
80522

Dear President Clinton

This letter is written to you to ask you to stop the prepared plan to make a steel trade agreement with China.

I believe as a steel worker that if this happens American Steelworker Job would be lost.

We have already lost thousands of American Jobs because of trade agreements like this one

On behalf of American Working Families please stop this before it happens.

Thank You

Chet Arnold

Vice President

Local 3405

21 Briarwood Pl

Pueblo Colo 81005

Mr Clinton

I would like you to vote against
China entry into the World Trade Org.
because of there Human Rights
Violation and there fun table
Acts.

Thank You
Ben Lorey

Ben Lorey
2480 HZw Ln
Pueblo Co
81006

Mr Clinton

I would like you to vote against
China entry into the World Trade Org.
because of there Human Rights
Violations and there fun table
Acts.

Thank You
Ben Lopez

Ben Lopez
2480 HZm Ln
Puebo Ca
91006

Dear Mr. President:

As an American Intellectual
I urge you to take whatever
action necessary to prevent the
admission of the People's Republic of China into
the World Trade Organization. China's
track record in the areas of human
rights and Labor have much to be
desired. For this reason please
refrain from allowing them to join
the WTO until they have shown
a willingness to observe ethical
treatment of their Citizens.

Thomas V. Anselmo

Thomas V. Anselmo
1143 Claremont Ave.
Pueblo, Co. 81004

Dear Mr President

I have a major concern on allowing
China into the World Trade Org.
I feel it will have a big impact on
the U.S. workers

Also please consider the human rights record
China has

Please don't allow them into the W.T.O

Thank you

Ken Barton
1514 Kingsway
Pueblo Co. 81005

President of The United State of America
William Jefferson Clinton

Dear Sir

I am writing on behalf of China joining The
World Trade Organization. This would be devastating
we cannot compete with China's slave labor.
The way China treats its work force is
not right. President Clinton you need to
save the jobs in this great Nation. Mr. President
we do not want this to happen.

Sincerely

Michael Bradishur

2022 Emilia
Pueblo CO 81005

Michael Bradishur 11-2-99

Nov 4, 1999

PRESIDENT OF THE UNITED STATES OF AMERICA
WILLIAM JEFFERSON CLINTON

Dear Sir,

I AM writing to you on behalf of China joining
the World Trade Organization. This would be
devastating. We cannot compete with China's slave
labor. ~~The~~ way China treats its working force
is also unfair. President Clinton you to save the
jobs here in the U.S.A. this great nation that
we live in.

Mr President you could help by making a NO vote on
this issue with the W.T.O.

Sincerely,

Sam R Pantello III

SAM R PANTELLO III

USWA Local 3405 President

3124 Royal Ave

Pueblo, CO 81005

174-99

Mr. President,

I am writing this short letter to express my deep concern regarding the proposed plan to make a steel trade agreement with China.

I am a steelworker who believes that the American steel industry would suffer even further because of steel imports that we would receive from China.

I respectfully ask that you sincerely consider the well being of the American steelworker and their families by saying no to the steel trade agreement with China.

Respectfully & Concerned
Fred Rodriguez
1932 Carter St
Pueblo, Co. 81004

6 November 1999

5102 S. 24th, Apt. 3
Fr. Smith, Ar 72901

The Honorable William J. Clinton
President, United States of America
1600 Pennsylvania Avenue
Washington, DC 20500

Dear President Clinton:

It is bad enough when American workers are forced to compete with countries that do not pay their workers livable wages. For example, Mexican workers make barely enough to "survive" on — not "live" on.

It is disgraceful that some of our leaders would now put us in the position of competing with Slave States.

China has arrested thousands of members of the Falun Gong, a non-political religious group. Many of these people are forced to do slave labor.

This is cruel and barbaric, to say the least. The leaders of the United States should shout out loudly and boldly against this inhumane action by the Communist China government.

Instead, they are negotiating with the WTO to allow China to join that organization!!

President William Clinton
1600 Pennsylvania Ave.
Washington DC

Dear President Clinton,
Please do not allow China in
the WTO. We can not compete
with a labor force that is paid
nothing. We need our workforce to
be able to receive a livable wage
that is what has made our country
superior to all other countries.

Please China does not deserve
to be in the WTO. They do not
treat their workforce with respect

Sincerely
Mark Person
2259 Victoria Rd.
Perris, CA 92370

President William Clinton
1600 Pennsylvania Ave.
Washington DC

Dear President Clinton,
I thank you for listening to
me.

I do not feel China is worthy
of membership in the WTO. China
treats its workers badly. China
uses prison labor for most of its
exported goods. This holds the people
down. People need to earn a livable
wage to make their society a prosperous
one.

I do not want to be pulled down
to their standard.

Sincerely
Sharif Perron
2259 Wistaria Rd.
Perris, CA 92370

President William Clinton
1600 Pennsylvania Ave
Washington, D.C.

November 6, 1999

Dear President Clinton

It has come to my attention that China is being considered for membership in the World Trade Organization.

As a working mother, I strongly oppose this. Because China uses prison labor. There is no way we can compete with this. Also there is the humanitarian issue.

Sincerely,

Judy Dushaw
P.O. Box 2056
Colton, CA 92324

President William Clinton
1600 Pennsylvania Ave
Washington, DC

November 6, 1999

Dear President Clinton,

It has come to my attention that
China is being considered for membership
in the World Trade Organization

As a working mother and grandmother
I strongly oppose this. Because China
uses prison labor. There is no way we
can compete with this. Also there is
the humanitarian issue.

Sincerely

Paula Edwards
1504 Savanne Ave
Redlands, Ca 92324

President William Clinton
1600 Pennsylvania Ave.
Washington DC

Nov. 9, 1999

Dear President Clinton

What are you thinking? Please do not allow China to become a member of the WTO. The WTO is very powerful and could be a catalyst in good world trade practices. China practices all the wrong labor standards. Forced labor i.e. prison labor is working conditions at their worst. Prison labor is free labor for most of China's exported goods is the practice.

How are we to compete?

Please give this issue more thought and rely on advice from some of the best labor minds such as the United Steelworkers Union.

Thank you for listening.

Diana D Rabb
16885 Arrow Ave.
Fontana CA 92335

President William Clinton
1600 Pennsylvania Ave.
Washington DC

Nov. 8, 1999

Dear President Clinton,
I feel the WTO is too powerful in making
trade policy. Since it is so powerful it is important
to have countries in it that believe workers
should be treated fairly and receive a living
wage.

China uses forced prison labor for most
of its exported goods.

I urge you to not even consider China
for membership in the WTO as they see the
world and they would further try to weaken
the already weak laws.

A congresswoman by the name of Pelosi
has the right thought about China. Please
talk with her.

Thank you for listening to my thoughts.

Sincerely
Diana D. Rold
P.O. Box 360
Pineon Hills CA 92374

President William Clinton
1600 Pennsylvania Ave.
Washington DC

Nov. 09, 1999

Dear President Clinton,

It has come to my attention that you are considering China for the WTO. I am asking you not to recommend this membership.

The members of WTO make the rules by which far trade is established all over the world. China uses enforced prison labor this is free labor in the most in human working conditions. Should this be a standard for us and other countries. Why should we even consider this? I wonder if there is not some other reason that the public is unaware of that we should for not putting China in the WTO.

Now I make a livable wage and I work hard for this wage. My union negotiated this livable wage.

How can we possibly compete with free labor?

Sincerely

Ken Dowling

Box 368

Dixon Hills, CA 92326

President William Clinton
1600 Pennsylvania Ave.
Washington, DC

Dear President Clinton,

I understand you are considering China for membership in the WTO. Our trade laws are too weak now on the side of the worker. China practices some of the worst worker rights in the world. Forced prison labor is used for most of its exported goods. How is it possible for countries like ours to compete with free labor?

I have worked for over 38 years at a livable wage which supports my children and I. My wage also puts money back into our infrastructure creating other good paying jobs.

Do not let the WTO weaken the strategy to weak trade policy. Please do not allow China such a position.

Sincerely
Diana D Robb
17461 Reed St.
Fontana, CA 92336

President William Clinton
United States of America

November 6, 1999

Dear President Clinton,

I am writing to you concerning a matter that is very important to me. It has come to my attention that China is being considered for membership in the World Trade Organization.

As a union member, I strongly oppose this because, China uses prison labor and there is no way we can compete with free labor.

Sincerely,

Judy Dushaw
United Steelworkers of America
245 E "C" St
Colton, CA 92324

President William Clinton
United States of America

November 6, 1999

Dear President Clinton

I am writing to you concerning a matter that is so important to me. It has come to my attention that China of all places, is being considered for membership in the World Trade Organization. As a union member, I strongly oppose this because, China uses prison labor, and there is no way we can compete with free labor.

Sincerely

Gavin Edwards

USWA

1504 Garamis Ave

Redlands, Ca. 92374

April 25
VAN BUREN, IN. —

PRESIDENT William Clinton
UNITED STATES OF AMERICA
1600 PENNSYLVANIA AVE
WASHINGTON, DC 20500

DEAR MR. PRESIDENT:

IT IS DIFFICULT ENOUGH FOR AMERICAN
WORKERS TO COMPETE AGAINST COUNTRIES WHO
PAY THEIR WORKERS SUB-STANDARD WAGES.

IT WILL BE IMPOSSIBLE FOR US TO COMPETE
AGAINST COUNTRIES, SUCH AS CHINA, THAT USE
SLAVE LABOR.

TOO MANY GOOD-PAYING LABOR JOBS HAVE
ALREADY LEFT THIS COUNTRY. SUPPORT U.S.
WORKERS — DO NOT LET CHINA JOIN THE WTO.

Sincerely yours,

Kathleen Johnson

2207 Maple St.

Van Buren, IN 47144

THE HONORABLE BILL CLINTON

1600 PENNSYLVANIA AVE

WASHINGTON, D.C. 20500

DEAR PRESIDENT CLINTON:

CHINA IS ARRESTING MEMBERS OF A RELIGIOUS SECT. THESE
PEOPLE ARE BEING IMPRISONED AND USED FOR SLAVE LABOR.
THEY ARE NOT POLITICAL IN ANY WAY - SIMPLY PRACTICING
THEIR RELIGIOUS BELIEFS.

THAT IS BAD ENOUGH, BUT IT GETS WORSE.

OUR LEADERS IN WASHINGTON, D.C. (SOME OF THEM) ARE
ASKING THE WTO TO LET CHINA BECOME A MEMBER
OF THAT GROUP.

BY DOING SO, THIS COUNTRY WILL BE CONDONING
SLAVERY! AND, OUR WORKERS CANNOT COMPETE WITH
SLAVE LABOR.

PLEASE USE ALL YOUR POWER TO KEEP CHINA
OUT OF THE WTO.

Sincerely
Tom Woods

3102 QUINCY

FT. SMITH, AR 72903

