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AARP Report To Fuel Debate On Health Costs

By LAURIE MCGINLEY

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON—Elderly Americans will spend, on average, more than \$2,400—19% of annual income—on health care this year, with prescription-drug costs being a major factor, a report by the AARP says.

The \$2,400 includes out-of-pocket expenses—money spent on goods and services such as drugs, eyeglasses and dental care—not covered by Medicare. It also includes Medicare premiums, deductibles and co-payments paid by beneficiaries.

The study is likely to add fuel to the debate over whether Medicare, the federal health program for the elderly and the disabled, should offer a prescription-drug benefit. Democrats plan to use the issue to woo older voters in next year's presidential and congressional races.

As if to drive home the need for political action on the issue, AARP released the report at a news conference in Des Moines, Iowa, the state where the presidential nominating process kicks off next month.

"Although Medicare provides critically important health insurance for older Americans, its coverage is not comprehensive," said David Gross, lead author of the report. The AARP, the nation's largest advocacy group for the elderly, formerly known as the American Association of Retired Persons, supports adding drug coverage to Medicare.

The report also found that:

- While Medicare beneficiaries will pay, on average, \$2,430 for health care this year, one-quarter of them will spend more than \$3,000. The out-of-pocket spending figures don't include the costs of home health care and long-term nursing care.

- Prescription-drug spending represents 17% of the elderly's out-of-pocket spending for health care, the single largest component after premium payments. Beneficiaries are expected to spend as much on drugs as on physician care, vision services and medical supplies combined.

- People with Medicare supplemental insurance, known as Medigap, will spend an average of \$3,250 on out-of-pocket health costs, in part because of the cost of Medigap premiums. Those who are enrolled in Medicare HMOs are expected to spend much less—\$1,630—because they generally don't buy Medigap.

In a similar report for 1997, the AARP found beneficiaries' out-of-pocket spending on health totaled about \$2,100. But the researchers said the studies were done dif-

ferently and can't be compared.

Democratic presidential candidates Al Gore and Bill Bradley used the report to renew calls to add prescription drugs to Medicare and to take swipes at their competing proposals for such a benefit.

Mr. Bradley, a former senator from New Jersey, said the study "underscores why my health-care plan is bolder than Al Gore's." He noted that his plan, unlike the Gore proposal, offers catastrophic drug coverage for seniors with high pharmaceutical expenses.

But Gore-campaign spokesman Chris Lehane said many beneficiaries wouldn't be helped by Mr. Bradley's plan because of its \$500 deductible. The Gore plan doesn't have a deductible. Mr. Lehane also criticized the Bradley plan for not including any money dedicated to preserving the solvency of the Medicare trust fund.

Fed Rules on Stockholding Are Eased for Employees

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON—The Federal Reserve Board, amending ethical conduct rules for its employees, eliminated for most employees a general prohibition on ownership of stock in primary dealers.

Also, Fed employees can obtain waivers letting them hold bank stock acquired prior to joining the Fed if the stock does not present a conflict of interest with their duties. Primary dealers, currently 30 in number, are the government securities dealers with which the Fed deals directly in executing monetary policy.

Under the changes, only Fed employees who have ongoing access to "highly sensitive information" collected in connection with the FOMC deliberations will be barred from owning stock in primary dealers.

Reno Is Expected to Decide On Charges in Lab Case

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON—Attorney General Janet Reno is expected to decide within the next several days on bringing criminal charges against former government weapons scientist Wen Ho Lee for mishandling classified nuclear data, according to a law-enforcement official.

Senior U.S. officials decided at a meeting last weekend, reported by the New York Times, to permit disclosure of highly classified nuclear-weapons secrets during a trial if Ms. Reno decides to seek an indictment. Mr. Lee was fired from the Los Alamos National Laboratory in March for security violations. The weapons formulas would have to be explained to jurors to demonstrate the seriousness of Mr. Lee's alleged security violations, the official said.

Ms. Reno is weighing charges under the rarely used criminal provisions of the 1954 Atomic Energy Act, which outlaws both intentional and negligent handling of weapons data. The possible penalties include life in prison, the official said.

Prosecutors have been investigating whether Mr. Lee transferred computer files, which contained nuclear-weapons design information and detonation models, to the laboratory's unclassified computer network. Among the files put on the network server, which may be accessed by outsiders using passwords, were top-secret dimensions and shapes of U.S. warheads, the official said.

Mr. Lee's lawyer, Mark Holscher, who didn't return calls seeking comment, has denied wrongdoing by his client.

A Justice Department spokeswoman had no comment.

THE WALL STREET JOURNAL

THURSDAY, DECEMBER 9, 1999

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Send to Burkhardt for reply?

Yes ☒

No ☐

S.C.

Dear POTUS
~~Mr. Clinton~~
BILL CLINTON.
Keep up the good
work. Sincerely,
Scott Ogawa
Stanford Freshman
ogie@stanford.edu
P.S. Please speak
out against
Capital Punishment.

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'Dynamo' stands out in Clinton's White House

Deputy chief of staff impresses political elite

By Mimi Hall
USA TODAY

WASHINGTON — Maria Echaveste's résumé reads like those of so many of her top-level Clinton administration peers.

Educated at prestigious West Coast universities, she spent most of the 1980s earning a comfortable living as a corporate lawyer in New York and Los Angeles. She turned to public service in 1991 when Bill Clinton ran for the White House.

Today, she has worked her way into one of Washington's most elite political circles, where she serves as one of two deputy chiefs of staff to the president.

In the rarefied West Wing of the White House, where white men still dominate, Deputy Chief of Staff Maria Echaveste stands out — way out.

Most obviously, she is a Hispanic woman, representing two groups not often represented so close to the Oval Office.

While fellow deputy chief of staff Steve Ricchetti handles foreign policy and congressional relations, Echaveste is responsible for government disaster relief programs, outreach efforts to minority groups and immigration issues.



Oval Office duties: President Clinton goes over his State of the Union speech with writer Michael Waldman and aide Maria Echaveste in January.

Former Labor secretary Robert Reich, who was once Echaveste's boss, says she brings a fresh perspective to government policy deliberations.

"She's a champion for the poor and socially excluded," he says. "She's a dynamo."

Her background is certainly

unique among top-level White House aides.

The daughter of migrant farm workers from Mexico, Echaveste was raised in Texas and California. Now the wife of a prominent African-American law professor, she is an avid gardener, a great cook and a home decorator. And she's a wiz with

a needle and thread. Last spring, on the day of the White House Correspondents' Association annual black-tie dinner, she switched on her sewing machine and whipped up a beautiful dress and jacket for that night's festivities out of some material she'd picked up on a trip abroad with the president.

The *New Republic* magazine once called her a "one-woman band of diversity" in the Clinton White House.

Echaveste rejects that notion. But when she plays cards with President Clinton or meets with his other top aides, she says that "more often than not," she is the only woman or minority at the table. In that situation, she says, "if you have an issue, you have to raise it."

However, "I've been the only Latina at law firms of 200 to 300 people, and so it's just not an issue to me," she insists.

Echaveste, 45, is the eldest of seven siblings. When she was a child, the family moved across the country, and her parents made a living picking strawberries and other crops.

Her Spanish-speaking father was a traditional, very strict man with no formal education.

"I didn't have any real idea what I wanted to do" as an adult, she says, "but I knew I needed a way to leave the house. ... I knew there was another world out there."

A voracious reader and solid student, Echaveste was accepted at Stanford University and enrolled despite her father's objections. She graduated in 1976 and went on to the

University of California-Berkeley, where she earned her law degree in 1980.

Five of her siblings followed her to college — all but one brother who married at 18 and has struggled with drug and alcohol abuse. She says his plight helps her keep things in perspective.

"It grounds you very, very well to realize you can sit in the White House, but you can't help your brother," she says.

Still, Echaveste often marvels at what she has been able to accomplish.

"Quite often, she thinks about how the oldest child of immigrant farm workers can be where she is at the White House," says her husband, Christopher Edley, who has served as Clinton's adviser on race. "Many of the folks we lovingly refer to as the 'white boys' never have a moment of self-doubt and seem to feel certain they deserve it."

Echaveste started on the path to

her spacious West Wing office when she left private-practice law and signed up to serve as Latino coordinator for Clinton's first presidential campaign.

After Clinton was elected, she took a job at the Labor Department as administrator of its Wage and Hour Division.

She moved into the White House in 1997 as the Public Liaison director and was promoted to her current post in summer 1998.

A few Clinton aides say she's too much of a taskmaster and say they resent her all-business, schoolteacher attitude.

However, "she's a damn good person to work with," former Clinton adviser Paul Begala says.

"She's been somewhere, and she carries that with her," Begala says. "Not as a chip but as part of her character."

► Racial diversity lacking among top White House aides, 1A

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What's Best for Elian Gonzalez

THE RUSH to make a symbol out of Elian Gonzalez—the 6-year-old Cuban boy who was rescued at sea after the boat in which his mother and several other people sought to flee Cuba sank—politicizes the child's tragedy and should have no place in discussion of his future. Fidel Castro has threatened mass demonstrations if the boy is not returned immediately to his father in Cuba. Meanwhile, Cuban exiles have made him a poster child for anti-Castro activities. Footage of Elian dressed in a Cuban American National Foundation T-shirt and surrounded with toys is a not-so-subtle way of demonstrating that he is better off here with some more distant relatives than with his father in Cuba. Lost in the politics is the question that ought to decide the matter and that, we would hope, the courts in Florida will focus on in considering it. As President Clinton put it yesterday, that question is "What would be best for the child?"

Whether it is better to grow up with one's father in a tyranny or with extended family in a democracy is not a question that lends itself

to decision on the basis of strict principles. It can be answered only on a case-by-case basis in light of all the relevant facts. Our own sense is that, for a 6-year-old who has just lost his mother and been stranded at sea for more than 24 hours on an inner tube, the personal is more important than the political. Reunification with his father seems as if it should be presumptively the desired outcome. And if the boy's father wants to live with him in Cuba, that is his decision.

But that's a big if. The fact that his father, Juan Miguel Gonzalez, says he wants the boy returned to Cuba—given the incentives any Cuban has not to embarrass his government internationally—is not necessarily conclusive. Before Elian Gonzalez is returned because of his father's presence there, it should be clear that his father would not prefer to come to this country to be with his son. Some procedure has to be devised to make sure that the interests of family reunification don't cost young Elian the freedoms for which he has already paid so dearly.

*Sawyer
is the
winner?*

Who Hears Gunfire Anymore?

HOW CHILLINGLY matter-of-fact this account of a seventh-grader's reaction when bullets began to fly at Fort Gibson Middle School in Oklahoma Monday: According to his mother, "Justin immediately laid down on the ground and shouted to his friends to get down. *Of course, we had been through this after seeing the other school shootings on television.*" As in those "other school shootings," some kids couldn't duck or escape fast enough. By the time their 13-year-old fellow student had emptied the clip of a 9-millimeter semiautomatic handgun, four kids were wounded. But this time the gunfire took no lives—and therefore failed to grip a numbed public to the same degree.

The hideous truth is that kids and adults are shot dead all the time in this country, some by students at schools, some by hardened criminals and still others by disturbed people or by their own hands. Only the other day, a shoot-

ing rampage in a Baltimore house left five women dead and the immediate neighborhood shaken. But even when the deaths by gunfire in the schools do come in sufficient numbers to regenerate nationwide public concern about the free flow of firearms in this country, nothing happens.

When Congress is in town and perhaps facing elections, the hand-wringing about moral decay gets frenzied for a while; some gun safety proposals are kicked around, weakened and ultimately abandoned. So how will this latest terror at Fort Gibson affect efforts to get handguns out of anybody's easy reach?

Likely not at all. No deaths, no Congress in session, no sense of urgency. Public pressures clearly have stirred some positive movements on Capitol Hill from time to time. But how many times must gunfire wound or kill kids or grown-ups before the lawmakers move seriously to stop the flood of firearms?

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We have
to do something
about this

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Killer's Trial Shows Gay Soldier's Anguish

Taunted, Beaten but Fearful of Disclosure Under Don't Tell Policy

By FRANCIS X. CLINES

FORT CAMPBELL, Ky., Dec. 8 — The graphic story of the harassment and bludgeoning slaying of an Army private who feared expulsion from the service for being homosexual emerged here today at a court-martial that gay rights proponents say lays bare the grave flaws in the military's "don't ask, don't tell, don't pursue" policy.

The 21-year-old victim, Pfc. Barry Winchell of Kansas City, Mo., was beaten to death with a baseball bat as he slept in his barracks bed early last July 5 after what fellow soldiers testified was months of vile name calling, rumor mongering and an inquiry into his private life that was supposed to be forbidden under military policy.

The court heard one of the accused, 18-year-old Private Calvin Glover of Sulphur, Okla., enter a plea of guilty to a lesser charge of unpremeditated murder. But his trial went forward on the separate charge of premeditated murder with details unfolding on the final months of Private Winchell's life as a soldier subjected to derision.

The court of five officers and enlisted men tonight pronounced him guilty of premeditated murder, solely measuring how calculating Private Glover had been in the assault. He will be sentenced on Thursday and could face life in prison.

Witnesses testified that the victim, fearful that protesting the harassment to superiors meant risking expulsion from the service as a homosexual, had been taunted by Private Glover into a fist fight. Private Winchell won the fight handily at the end of a night of barracks drinking. But the humiliated loser, Private Glover, retaliated with a baseball bat two days later as Private Winchell slept.

In pleading guilty to the lesser charge and hoping for leniency, Private Glover accused a second defendant, 25-year-old Specialist Justin Fisher of Lincoln, Neb., of supplying the baseball bat and goading him into the assault. "I was just so drunk," Private Glover tearfully told the court on Monday. "I had no intent for him to die."

The court-martial, replete with testimony about widespread drunkenness and barracks harassment and routine denunciations of Private Winchell by fellow soldiers as "a faggot," "a queer," and "a homo," was treated by the prosecution as purely a murder trial.

The Army has made no comment on the case's possible implications for its controversial policy toward gays.

But gay rights organizations contend that the slaying is a classic example of a hate crime rooted in homophobia, and that the Clinton administration's "don't ask" policy, far from making life easier for gays and

lesbians in the armed services, has left many to suffer in silence or leave the service.

Since its inception, the policy has seen a doubling of discharges of gay service members, to 312 last year, and a comparable increase in complaints of homosexual harassment, gay rights organizations say.

"This murder has shut down any illusions soldiers had," said Michelle M. Benecke, co-executive director of the Servicemembers Legal Defense Network, a gay rights organization that monitors military justice.

"Every day, service members in every service must endure anti-gay epithets and threats," Mr. Benecke said in underscoring the Pentagon's failure to circulate guidelines on its gay policy until after the slaying of Private Winchell.

In testimony at the trial and in a preliminary inquiry here last summer, witnesses said that Private

blood, stood by the ambulance shouting, "Let him die! Let him die!" as Private Winchell was taken to the hospital. In the earlier hearing, Specialist Fisher swore that Private Glover spewed homophobic epithets before the assault and confessed to the slaying as he hurriedly washed blood from the bat. When the two checked on the stricken Private Winchell, Specialist Fisher said, Private Glover lifted his bloodied head and said, "Yes, he is dead."

Witnesses testified that the assault was so severe that Private Winchell's face was unrecognizable, with his eyes swollen shut and his head cracked open. Private Glover fled the scene, according to testimony, and threw bloody evidence in a dumpster. He was later arrested in his room by investigators, who said they found blood stains on the door and on his clothing.

Last March, Specialist Fisher accompanied Private Winchell to the Connection in Nashville, a nightclub favored by gays, witnesses said, and gossip soon went around the post that the Private Winchell was homosexual. Testimony established that Private Winchell had dated a female impersonator at the club, Cal Addams, a former Navy medic known as Calpernia, who eulogized Private Winchell last July as "a kind, calm gentleman."

"Pretty much everybody in the company called him derogatory names," Private Winchell's platoon sergeant, Michael Kleifgen, testified at the pretrial hearing. "They called him a 'faggot' and stuff like that, I would say on a daily basis. A lot of times, he was walking around down in the dumps."

Despite the military's "don't ask" stricture, Sergeant Kleifgen testified last summer that he decided to informally investigate after Specialist Fisher described the nightclub visit without identifying Private Winchell. The sergeant said he suspected that Private Winchell was gay but Private Winchell denied this. The sergeant dropped the matter, he testified, finally acknowledging to the amazement of some in his audience, that "the military has a policy of 'don't ask, don't tell.'"

At the same time, the sergeant said he did nothing to enforce Army regulations against the sort of harassment that Private Winchell was suffering. "Everybody was having fun," the sergeant said in explaining his reasoning.

In the welter of harassment and epithets, several witnesses testified, a few soldiers complained of homophobic denunciations of Private Winchell by ranking superiors. But nothing came of their complaints that Army policy had been violated, the witnesses said. "We did a formal I.G. complaint and nothing was done, sir," Sergeant Kleifgen testified today, referring to the inspector general's office here. The Fort Campbell public affairs office said it would inquire into the reported complaint to see what might have happened.

Under the policy introduced by the Clinton Administration, the military cannot inquire into a soldier's sex life unless there is clear evidence of homosexual conduct. But gays who volunteer this information can be discharged for being homosexual. After the Winchell slaying and reports of white supremacists in the Army, President Clinton signed an executive order in October that amends the court-martial manual to allow judges to weigh hate-crime factors in meting out sentences.

While a private is convicted in a gay man's slaying, some fault the military.

Glover, after being struck in the face and thrown to the ground in his challenge to Private Winchell, seethed with embarrassment, shouted homophobic curses and threatened a killing, declaring, "It ain't over."

Witnesses said that Private Winchell, a machine gunner in the 101st Airborne Division, had been initially labeled a homosexual by his roommate, Specialist Fisher, who is facing a separate court-martial on Monday on charges that he was an accomplice in the slaying and lied to investigators.

Private Glover's defense team sought to bring out from witnesses that Specialist Fisher was a dominant, manipulative individual while the accused private was subservient and a braggart.

The presiding judge, Col. Gary Holland, told the court that the critical question was whether Private Glover, amid a long weekend of barracks drinking, partying, and bickering, had opportunity to "cool off" from a point of initial rage and premeditate the assault.

Of Specialist Fisher, the judge stressed it had been stipulated as fact that "he's the one who handed the accused the bat" and "told him to go out and mess up" Private Winchell.

On the morning of the slaying, a military policeman testified, Specialist Fisher, his clothes covered in

Blast at a Nuclear Bomb Factory Injures 3

By The New York Times

WASHINGTON, Dec. 8 — A chemical explosion this morning at a nuclear bomb factory in Oak Ridge, Tenn., injured three workers, one seriously, and contaminated a fourth worker with uranium.

The incident occurred about 9:30 a.m. as workers tried to clean up a mixture of sodium and potassium that had been spilled last Friday. Something, possibly water, reacted with the sodium to cause the explosion, plant officials said.

One worker was airlifted to a hospital in Chattanooga, Tenn., with second-degree burns over 25 percent of his body, said Margaret K. Morrow, acting vice president for defense programs at Lockheed-Martin Energy Research Corporation, which runs the factory for the Department of Energy. The worker was in serious but stable condition, she said. Two others with lesser burns were admitted to a hospital in Oak Ridge.

The Energy Department is assembling a team for an investigation.

The New York Times

THURSDAY, DECEMBER 9, 1994

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Gun-Industry Leader Backs Clinton Bid for Pact

By PAUL M. BARRETT

Staff Reporter of THE WALL STREET JOURNAL

The leader of the gun industry's main trade group voiced striking receptivity to the Clinton administration's desire to forge a settlement of municipal litigation against firearms makers and distributors.

But some individual gun-company executives, as well as the National Rifle Association, condemned the White House for threatening to file a federal class-action lawsuit on behalf of 3,200 public-housing authorities.

During a broad-ranging news conference yesterday in Washington, President Clinton reiterated his decision to use the threat of a massive federal suit to pressure the gun industry to accept marketing and manufacturing restrictions demanded by 28 cities and counties that have already sued the industry.

Mr. Clinton said his goal wasn't to "bankrupt" gun companies, but to reform them. Still, a threat of additional litigation also entails the possibility of more legal expenses, as well as possible court judgments down the line. Industry representatives have held tentative talks with the municipalities that are suing, but there hasn't been any substantive agreement.

Robert Delfay, head of the National Shooting Sports Foundation, the main industry trade group, said in an interview that Mr. Clinton's threat "probably turns the heat up a little bit, puts a little more of a spotlight nationally on our [settlement] discussions, and might even play a role in accelerating the discussions."

Mr. Delfay, who has been coordinating the industry's discussions with various municipal and state officials, quickly added that his comments applied only "if the [federal] lawsuit isn't filed, but is used to spur discussion. If it is filed, it would be

a very burdensome and unwelcome addition to the equation."

Some firearms-industry executives reacted much more vehemently. Stephen Sanetti, vice president and general counsel of Sturm, Ruger & Co., Southport, Conn., the largest U.S. gun maker, said his company wouldn't negotiate with the administration. Mr. Sanetti said in a faxed response to written questions: "We will fight this and other factually and legally baseless lawsuits. It is absurd that one portion of the administration is seeking to sue us for transparently political ends, while we work closely with [the Bureau of Alcohol, Tobacco and Firearms] and other law enforcement agencies, and have seen both the firearms accident rate and violent crime rate plummet."

Other companies named in the municipal suits that have exhibited a more conciliatory approach include Smith & Wesson Corp., a unit of Britain's Tomkins PLC, and the U.S. unit of Austria's Glock GmbH. Paul Jannuzzo, Glock's vice president and general counsel, said in an interview yesterday that his company is willing to talk to the administration. Smith & Wesson didn't respond to requests for comment.

The National Rifle Association, which officially represents gun owners but in effect lobbies on behalf of the interests of the industry as well, castigated the administration. "This is a frightening holiday greeting from Bill Clinton and Al Gore," NRA chief lobbyist James Baker said in a written statement. "Hard-working Americans don't want their tax dollars spent to harass a lawful industry."

Gun companies pay attention to the NRA at least partly because of the group's influence with gun consumers. The NRA has discouraged settlement of the litigation, warning that the rights of gun owners

would be curtailed in the process.

The White House made it clear yesterday that it issued the lawsuit threat at least partly in response to the success of the NRA and its congressional allies in thwarting passage of any national gun-control legislation this year. Presidential spokesman Joe Lockhart, in a briefing before Mr. Clinton's press conference, said: "The legislative branch certainly has enough authority [to pass laws]. Should they choose not to exercise that, we have other ways of doing it."

Mr. Delfay said that he expected the next round of face-to-face settlement talks—presumably with administration officials at the table—to take place later this month or in January.

THE WALL STREET JOURNAL
THURSDAY, DECEMBER 9, 1997

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WILLIAM SAFIRE

Great Game's Victims

WASHINGTON

The newly emboldened Russian military has now embarked on a modern version of what Rudyard Kipling in 1901 called "the Great Game" — that struggle against the West for economic and political power in the Caucasus and Middle East.

A war on terrorism out of Chechnya is its excuse. Next week's elections to the Russian Parliament are the immediate cause of the systematic massacre of the dark-skinned Muslim troublemakers. The blood-thirstiest of the Russian politicians are getting the most support, if we can believe the easily rigged polls.

But there is another, longer-range game afoot. That is the old imperialist urge by Moscow to dominate the sources and lines of supply of Caspian Basin and Iranian oil and gas, and thereby to gain a stranglehold on the economic life of its adversaries.

A map tells the story. Chechnya lies astride one of the key pipelines into Russia and out to a Black Sea port through Turkey's Bosphorus to the Mediterranean. That's why Moscow says it must be denied independence, no matter how many die.

The U.S., aware of Russia's ambitions, is encouraging an alternative to supply lines through Iran, Iraq and Russia. We support a proposed energy trail through Azerbaijan, Georgia and Turkey. Although it has not happened, President Clinton said yesterday it would be seen as "one of the most important things that happened this year."

Russia is putting great pressure on Georgia, independent after the breakup of the Soviet Union. Adjacent to Chechnya, Georgia has been resisting occupation by Russian troops who want to take charge of its border; that would undermine the West's proposed pipeline. Georgia's reformist president, Eduard Shevardnadze, has survived three assassination attempts that many think were K.G.B.-inspired.

Moscow recently entertained Tariq Aziz, Saddam Hussein's man. In return for Russia's support in resisting U.N. inspection of its nuclear weapon development, Iraq has cut its permitted production of oil. That has helped keep up the price of oil — it has doubled this year — and has given Russia the money it needs to support 100,000 troops in Chechnya.

Those are the undercurrent events. On the surface, residents of besieged Grozny, the Chechen capital, have been ordered to get out of

town lest they be pulverized by bombs — but no cease-fire was offered to let them get out safely. Thousands will die along with relatively few terrorists.

One Baltic leader said this was like answering the terrorist hijacking of an aircraft by shooting down the plane. Clinton sternly warned that such slaughter of civilians would mean "Russia will pay a heavy price for those actions."

What price? Only that its threatened atrocity "will further alienate the global community from Russia." What a weak-kneed response. The time to list the consequences is before the massacre. Such as:

1. Disinvite the Russians from next week's scheduled meeting of the Group of 8 foreign ministers.
2. Dispatch a trade-and-aid delegation to Georgia immediately.
3. Describe the suspension of the next I.M.F. loan to Russia for what it is — retaliation for atrocity, and not for economic inaction that saves Russia's face.

Russia's reborn dream of empire.

4. Withdraw our scheduled Export-Import Bank guarantees.

5. Point out how Arab oil producers, now paying lip service to their Muslim brethren in Chechnya, are financing Russia's attack with their OPEC-induced shortages and inflated oil prices.

6. Begin drawing down oil from our brimming strategic reserve, replenishing the reserve when world prices drop.

7. Move quickly to bring the Baltic states into NATO. Russian imperialism is still alive and growling.

Russia has a way of responding to credible threats. What happened when John McCain and George W. Bush made plain they would withdraw from the ABM treaty if the Russians refused necessary modifications to allow limited missile defense? Russia's Duma, after four years, decided to take up ratification of Start II.

Cluck-clucking and hand-wringing have no effect. Mass killing is no game, great or otherwise. Diplomatic and economic pressure can save lives. □

The New York Times

THURSDAY, DECEMBER 9, 1999

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VANITY FAIR

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After raising vast sums for Bill Clinton's re-election, legal-defense fund, and library, as well as Hillary's Senate campaign, Terry McAuliffe sealed his status as *Uber-First Friend* by spotting the Clintons \$1.35 million in cash as collateral for their New York home. It was an offer so controversial that the Clintons eventually had to balk. Just how did a nice Catholic boy from Syracuse end up bankrolling an American president? MARJORIE WILLIAMS examines McAuliffe's ebullient, Teflon-coated climb to the very pinnacle of Washington's money culture, the power of his Rolodex, and his uncanny ability to separate donors from their wealth.

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VANITY FAIR

MIDAS KING

TALK ABOUT HARD
MONEY — CHECK OUT THE
BRUNETT AT TABLE 1

Tony Meadell lends
an attentive ear to a presidential
quip at a 1999 fund-raiser in
Washington, D.C. "I'm one of the
few fighters in the party."

Meadell says, "I think
that's one of the reasons the
president loves me."



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VANITY FAIR

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ou probably know," says Terry McAuliffe, thumping the arms of his chair at the Oval Room, a restaurant two blocks north of the White House. "I come here a lot. This used to be George's table." He's sitting in the see-and-be-seen chair, the one everyone has to pass on the way into the main dining room. He doesn't have to spell out that he's referring to George Stephanopoulos, former media favorite and adviser to President Clinton. "Yeah," he says, in case you missed the point. "Old George is kind of out of favor now, and I'm in."

So this is the first clue to how a man becomes what Vice President Al Gore has called "the greatest fund-raiser in the history of the universe": it's not about subtlety. "I'm one of the few fighters in the party," McAuliffe likes to say. "I think that's one of the reasons the president loves me. I'm the only one around with any you-know-what."

Terry McAuliffe can afford to crow. After two decades at the slippery peak of a pursuit most men tire of after two or three election cycles, McAuliffe is the acknowledged master at separating political donors from their money. He is, at 42, a self-made multimillionaire, with a fortune that may reach into nine digits. And, icing on the cake, he has achieved the official role of First Friend to the president, a status sealed during the fall when he posted collateral of \$1.35 million in cash to help the Clintons buy their new house in Chapqua, New York.

The Clintons' reliance on a private benefactor, especially one as controversial as McAuliffe, raised so many questions that they went on to arrange a different form of financing, without McAuliffe's help. But the home-financing deal was, in the scheme of things, a drop in the bucket of Bill Clinton's debt to McAuliffe, the culmination of one of those instructive Washing-

ton symbioses: between a man who calls himself "the king of money" and a man whose flirtations with personal and political disaster have made him more financially needy than any other president in memory. "The feeling I had is, the one guy, if he did this, that they couldn't criticize [by saying] he was going to get something out of it was me," says McAuliffe. "Because I was so far into everything. I mean, what's the president going to do, give me another round of golf?"

The "everything" that McAuliffe has been "into" has included: leading the fund-raising effort for Clinton's 1996 campaign, at a time when many other Democrats were writing him off as a one-term president; chairing (and raising money for) his 1997 inaugural; raising nearly \$7 million for the president's legal-defense fund ("I am the fund-raiser for it. I raise all the big checks," he says); raising money for Hillary Clinton's Senate campaign ("I put her whole money team together.... I made 50 calls for her this weekend.... I love old Hillary!"); raising money for the president's future library, budgeted to cost more than \$125 million; and rounding up corporate sponsors for the administration's planned millennium celebration on the mall.

And, when he has time left over, raising money for the president's vice president.

It says something about Clinton that McAuliffe is his last best friend as the final year of his presidency begins. Clinton came to Washington, seven years ago, surrounded by longtime policy comrades like Lani Guinier, Robert Reich, and Peter and Marian Wright Edelman. Their politics were embraced by some and loathed by others, but at least they had politics; Clinton has since chewed through or cast off or triangulated away most of those old friends, the friends who belonged to whatever part of him came to Washington wanting more than the eternal survival of Bill Clinton.

The last man standing is the one whose chief commitment has been to saving Clinton's political skin.

McAuliffe's career also offers an illuminating map of the byways between money and politics. A Georgetown University-trained lawyer and an entrepreneur who has prospered in more than half a dozen industries, he has done a brilliant job of exploiting his connections while avoiding the traps that lie in wait for the lasciviously greedy. People on the other end of some McAuliffe transactions have a funny way of winding up with lawsuits, grievances, or even indictments. But McAuliffe has had a genius for evading harm in the investigations that have dogged his career.

Finally, McAuliffe's personal history

makes him the perfect poster boy for his party at the turn of the millennium. His life—from his Irish Catholic roots in middle-class Syracuse, New York, where he was steeped in Democratic politics as a child, through his climb to the top of Bill Clinton's Washington—closely tracks the evolution of the party; he was present at every important stage in the growth of the cash fetishism that has increasingly inclined the Democrats toward the wealthy sources of their sunshine.

"These people—the Rolodex kings—are the party now," says a mournful Democratic politician. "And they're all nice people, naturally."

The First Lady is on the speakerphone from Brasilia. Here in Washington, in the borrowed fourth-floor conference room of the Edison Electric Institute, it is nine in the morning, and it is only 17 days until a birthday salute, at the Capital Hilton, that is budgeted to raise half a million dollars for Hillary Rodham Clinton's not-yet-announced Senate campaign.

The First Lady delivers some general remarks of thanks to the 22 benefactors seated around the burnished table—a group typical of big-ticket political donors, which is to say that they are mostly white men. But the real purpose of this meeting comes when Terry McAuliffe rises to "warm up" the audience, who have all agreed to hit up friends, acquaintances, and business associates to donate to the coming event.

"This is going to be the main Washington event for the First Lady," McAuliffe explains to them. "So our plan is for everyone here to bring in 10." He means \$10,000, in contributions of no more than the federally allowed \$2,000 per person, with a thousand counting toward the primary campaign and a thousand toward the general election. Fund-raisers rarely use the word "thousand." They speak of "10s" and "25s" and—when they get up into the higher reaches of "soft money" fund-raising, in which big donors and companies are asked for large checks that go to the more loosely regulated party committees—of "50s" and "hundreds" and even "250s."

"Is there anyone here who couldn't do it?" (He always asks this question during warm-ups, he has told me; "No one's going to put their hand up in front of all their peers" and say no. Then he pounces: "I say, 'All right, we're all committed for 10.'")

"So we're all committed for 10," he says now. "So all you need is two and a half couples. So I want you to make five

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calls every day.... Stop people on the street. Tackle 'em, and grab their checkbooks! This is IT.... Please, folks, please. Please make your calls every day."

McAuliffe is physically striking—tall, though thickening at the middle, with a dense mop of chestnut hair, a glowing Irish complexion, and a ready smile. His right eye is blue; his left eye is a dark greenish brown. You notice this in one-on-one conversation, because McAuliffe focuses on you as if both your lives depended on unbroken eye contact.

He uses your name earnestly and often, proffering it between respectful commas. He's the kind of guy who says "gosh" and "golly" and "goodness gracious!" Who describes his wife, Dorothy, as "a load of fun." Who constantly uses the phrase "to be honest with you," especially when he's about to pitch you a really shameless bit of spin. He conveys, with every restless gesture, that he is just Terry, the Macker, a sunny Irish Catholic boy, the luckiest mother's son ever to rise out of the middle class in upstate New York.

"There are people that are hard to say no to because they're reluctant. And there are people that are hard to say no to because they're likable. And he's in the latter camp," says Steven Rattner, deputy chairman of Lazard Frères and a reliable Democratic donor.

The persona on display to Hillary's donors is at once the real Terry McAuliffe and a slightly sly parody of the type; part of his allure, people admit, is the way he can both inhabit this charming persona and also seem faintly hip to it. "Occasionally I'll see him in a restaurant, like the Oval Room," says Charles Lewis, executive director of the Center for Public Integrity—one of the watchdog groups that keep a

critical eye on the Terry McAuliffes of the world. "He's always a little bit like Eddie Haskell. Like, 'Hello, Charles, and how are you today? And how is Integrity?' It's hard not to smile when you see him."

"You can't not like the guy," says a reporter who has tried. "And he's Machiavellian with the press. He really dishes, and so you don't want to alienate him."

McAuliffe wears his useful niceness everywhere he goes. When, for example, he gave a deposition to the Senate committee that in 1997 investigated campaign-finance abuses, he was closely questioned by committee counsel Gus Puryear about his involvement in investigating the "boffies" that shuttled donors through the White House. To Puryear's astonishment McAuliffe addressed him, throughout the day, by his first name. The word

"Gus" appears four dozen times in the deposition transcript. "It's almost like someone who took a Dale Carnegie course and then walked in to give a deposition," Puryear says. "It had just never happened to me before."

At first glance, this Haskellism might seem so exaggerated as to be counterproductive. But notice that McAuliffe

was never called as a witness during the committee's televised hearings. Republicans initially had hoped to use him as their opening witness, to establish the overall craving for cash that had led the Democrats into soaking up illegal foreign donations and selling the Lincoln Bedroom. But after his performance in deposition, they grew wary that his cheerful boosterism might make him an impregnable witness, the Oliver North of the Thompson hearings.

Other campaign staffers became the public face of the scandal, while McAuliffe portrayed himself as uninvolved. "People who deal with Terry know that's the downside," says someone who has worked with him. "There are never any flies on Terry at the end."

"Most of fund- CONTINUED ON PAGE 137

WHEN I GROW UP I WANT TO BE A GOLFING BUDDY

Clockwise from left: McAuliffe, aged six, at the 1963 New York Democratic State Convention; pondering puns, not the president's choice of headgear; aloft in 1995 with Clinton and Craig Smith, then White House deputy director of political affairs.



"I lo-o-o-ove the action. Just bein' with the president, flyin' all over the country, ridin' around with him."

to prove a point, Wova Popov ventured out in a blizzard some weeks after Zehnder's death. He immediately got lost and almost shammed headfirst into an iceberg. In a later incident, a chopper crashed while shuttling to the *Fedorov*; five crewmen were killed and Popov lay on the ice for an hour and a half, near death, as frostbite ate away all or part of three digits.

Vladimir Stepanov is quick to defend his handling of the situation, pointing out that Zehnder had signed a contract in which he assumed all responsibility for his own welfare. Asked if he would do anything differently, Stepanov nervously fiddles with his glasses, then says one thing that all the Russians agree on: "There are no second tries in Antarctica."

As for why Zehnder was found flat on his back, some hypothermia victims drift into a kind of serene dream state induced by lack of oxygen and a general physical shutdown. (Some victims actually rip off their clothes—a condition called "paradoxical undressing," thought to be caused by a

dilation of constricted blood vessels close to the body's surface, which produces a sudden sense of heat.) "I come from the mountains," says Maya Floers, whose family is from Saint-Moritz, Switzerland. "I know how it is to be lost in the snow. You should never, ever sit down. But if you are dying from exposure, you usually sit down. You are very, very tired, and you go to sleep. And I do hope that this is what happened to Bruno."

Ludmila Pisarevskaya takes it a step further, reasoning that Zehnder found this a perfect time to bow out. "I think he forced it," she says obliquely. "I think he was standing out there and he looked at his life and thought, 'I'm [going to be] 52 and I have no family and this is my last time with the penguins here. And why should I go back to New York, where I am so lonely, when I can stay here with my beloved penguins forever?' In New York he'd just die alone [and be buried] in some cemetery. In Mirny he would be buried near the penguins, in a cemetery in

which all the men become legends. He would be a part of the place forever." In the end, Zehnder's mind is unknowable. Guido thinks his brother simply got tired in the storm and "gave up."

Several weeks after Zehnder's death—after receiving diplomatic clearance and before plans were made to build a memorial in Switzerland, carved from five and a half tons of Antarctic rock—the Mirny crew gathered for his funeral on tiny Burumsky Island, where those who die at or near the base are buried. As Zehnder's casket was left atop a boulder and surrounded by rocks—the ground was too frozen for burial—the crew's mood was buoyed by an occurrence which today some of them still can't quite fathom: 30 penguins toddled out of nowhere and, in essence, joined the congregation. This was all the more striking because the penguins had not been living on Burumsky. As the world's greatest penguin-lover was forever sealed in the ice, the birds didn't make a sound. □

McAuliffe

CONTINUED FROM PAGE 113 raising is personality," says Laura Hardgan, 33, who served as finance director under McAuliffe in the '96 Clinton-Gore campaign. Watching him stroke the First Lady's donors, one gets a sharp sense of McAuliffe's value to his party and his president: of why the president and the vice president both attended his 40th-birthday party; of why House minority leader Richard Gephardt, another beneficiary of McAuliffe's skills, once bought the McAuliffe family a golden-retriever puppy, house-trained it for two months, and bathed it himself, in his bathtub, before delivering it on Christmas morning.

For one thing, McAuliffe is legendary for his refusal to hear "No." Once he stalked out a business executive's lawn at six A.M. after the man failed to deliver on the last \$5,000 of a \$25,000 pledge and then stopped taking McAuliffe's calls. To get rid of McAuliffe, the embarrassed man wrote a \$1,000 check on the spot, got his wife to do the same, and then knocked on three neighbors' doors to shake them down for \$1,000 each. Another time—as McAuliffe loves to tell you—he wrestled an alligator, on a dare by a Florida Seminole tribe, in exchange for a \$15,000 gift to the Democratic Party.

McAuliffe has a Rolodex about 4,000 strong. ("I do have the best Rolodex in the country," he boasts.) For years he kept up his network by sending out dime-store valentines each February. It's safe to guess that

these were the only five-cent valentines Pamela Harriman received each year, but his real targets were the secretaries who controlled access to the executives he wanted to do.

"Where most people fall off the wagon is having the appetite to spend as much time doing it as he does," says a prominent Democratic fund-raiser. "I can do it for an hour or two a day, at some times. . . I suspect he averages eight hours a day. I don't know how anybody can bear it."

In fact, McAuliffe makes roughly 500 phone calls a week. In big election years, he has spent as many as 300 days on the road. This past November, he hosted a fund-raiser at his house for Gore. He scheduled another event, at home, for Hillary Clinton the first week in December. The week after that, the president was slated to headline an event there for House Democrats.

This schedule seems even more staggering when you consider that the McAuliffes have four children under the age of nine, including a baby delivered at the end of October. Dorothy McAuliffe went into the hospital the evening of October 28, and the baby arrived early the next morning. In between, Terry could be found on the ninth floor of the Washington Post building, buoyantly networking at a party for the paper's gossip columnist, Lloyd Grove.

"I hope you give a good plug to Dorothy," a friend of the couple's told me, "just for the shit she puts up with."

Another friend notes that back in McAuliffe's bachelor days, after a night of barhopping, "at six A.M., Macker would

be in the shower singing 'God Bless America.' . . . He has an energy level that is beyond most people's comprehension."

But even more than his toll, McAuliffe's chief value is the cleansing effervescence he lends to the sea of money washing through his party. There is, today, a subtle tension involved in the very act of gathering to talk about political money. McAuliffe, with his air of wholesome joy, is a genius at curing this tension.

"Don't worry, you'll only get a couple of subpoenas," he cracks to the First Lady's check harvesters, rapturing nervous laughter. And when he's asked whether children can attend the event, which will be held at the awkward hour of 11 A.M. on a Saturday, he says sure, but adds a semi-serious reminder: "We don't want kids writing checks. That's all we need. Next thing you know, we'll be doin' people's cats and dogs."

Toward the end of the Oval Room's busy lunch period, as the restaurant is beginning to clear out, the hostess comes to McAuliffe's table. "Alecia is on the phone," she says, meaning McAuliffe's longtime assistant, Alecia Dyer. "The president is calling." McAuliffe jumps up, a flush of pleasure suffusing his cheeks. "This really wasn't a setup," he says, and hurries to the front of the restaurant. For the next 10 minutes I can hear him up there, roaring his big laugh into Bill Clinton's ear. HA! HA-HA!

McAuliffe entered Clinton's circle relatively late, in 1994, when the Democrats had just suffered their staggering midterm loss of the House of Representatives. Drafted to

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begin raising money for Clinton's re-election. McAuliffe faced a president who was being written off as a failure, certain to be challenged by others in his party. But McAuliffe raised the entire amount that a primary candidate is allowed to spend, \$37.1 million before federal matching funds, in only seven months. More important, his show of muscle tied up all the money that might conceivably have funded a challenger.

"You know, I wouldn't be in this office if it were not for your son," Clinton told McAuliffe's parents when they visited the White House last spring.

By most accounts, the friendship went from being a professional one to being a truly social one around the time the Lewinsky scandal broke—the same time, in other words, that Clinton's previous No. 1 golfing buddy, Vernon Jordan, was suddenly off-limits because of his role as a witness in the Starr investigation. (It was Jordan's part in helping Lewinsky get a job in New York that had allowed Kenneth Starr to investigate the affair in the first place.)

McAuliffe replaced Jordan as Clinton's most frequent golf partner, playing with him as often as once a week at the Army-Navy Club. He became the person Clinton is apt to summon to a movie at the White House on nights when the First Lady is out of town. He's been on two vacations with the First Family—though, notably, neither was the kind of vacation on which his own family was invited along. Clinton and McAuliffe speak by phone almost daily, either in the afternoon or, more often, late at night, when Clinton talks to unwind. "Terry is one of those safe harbors for him," says senior adviser to the president Doug Sosnik. "He doesn't have to worry about what he says to Terry, because he knows Terry's only agenda is friendship."

But it's hard not to see utilitarian underpinnings in that friendship. Its very existence, because it advertises the fund-raiser's closeness to The Man, makes raising the money the president needs even easier for McAuliffe. "To a large degree, Clinton's friendships are circumstantial," says a former administration official. "Terry's both a very affable, very capable guy and very useful."

One friend says that McAuliffe genuinely believed the president's early assurances, in 1998, that he'd never had a sexual relationship with Monica Lewinsky. "He did lie to Terry directly," says this friend. When McAuliffe learned the truth, "he was just crushed. It took even old Mack a while to get over it."

But as always McAuliffe managed to find a way to see this glass as half full. "I think at the end of the day, the president was try-

ing to protect me," he says now. "Starr knew how much we had talked. We've got a very special relationship. He would never want to put me in harm's way."

McAuliffe was born to Jack and Millie McAuliffe in 1957 and named for the Notre Dame halfback Terry Brennan. (Brennan, Millie McAuliffe explains, ran a kickoff back 97 yards for a touchdown during the Notre Dame-Army game on November 8, 1947. She remembers this clearly because her husband took her to the game on their wedding day.) The family's home was on the far west side of Syracuse, a neighborhood of the flourishing middle class. Jack McAuliffe made a good living developing commercial real estate, but one modest enough that Terry had to put himself through college and law school.

It was the last gasp of the cozy, all-encompassing urban Catholic world of the 1960s: parochial school at St. Ann's elementary and then Bishop Ludden High School, where Terry was president of his class for three years, and of the student body his senior year. ("Most Likely to Succeed," his yearbook said, noting that he "dislikes nothing.") Interviews turn up the clear suggestion that Terry, the youngest of four sons, was his mother's favorite. "He is just the apple of his mother's eye," says Dorothy McAuliffe. "When he came in the house, it all kind of lit up a little," recalls Millie McAuliffe. "He just brightened the landscape."

Terry came by his politics early in life: his father was active in the Onondaga County Democratic Party, becoming its treasurer when Terry was 13. Terry loved to man the door at party dinners, selling \$25 tickets to his father's friends.

You might say the McAuliffe family offers a capsule history of the postwar Democratic Party. In the father's day, the party was everything: the arbiter of who might run, the chief source of funding for candidates vetted by the party elders. By the time the son rose to the top of the party hierarchy, politics was mediated almost entirely by television, and therefore by the money men who could deal aspirants into the cash needed to stake ad campaigns.

And as much as Terry seemed to savor politics, he also demonstrated early on that he had a way with money. Scarcely into high school, he started a business sealing driveways and parking lots around Syracuse. In one of the five scrapbooks his mother made to chronicle his career are the founding documents of McAuliffe Driveway Maintenance, including the earnest letter young Terry sent around to drum up business:

"Dear Local Businessman," it began. "McAuliffe Driveway Maintenance is just the company for which you have been looking. We are the sealing and repair specialists

of Central New York. Your parking area reflects YOU. Your beauty is a big business asset and making your parking area beautiful is our business."

He was 14 at the time.

When winter came he invested some of his profits in a huge snowblower and rose every snowy morning at four to go around the neighborhood clearing driveways. He would be home by eight, he remembers, pockets stuffed with as much as \$200 in cash. And when he got home, he would iron the money on Millie's ironing board in an upstairs bedroom. "You couldn't take 'em to the bank. They were all crumpled and jammed in my pocket," he says. Once by one, he ironed the bills, just so, even adding spray starch to get them crisp, until he had a nice, flatly satisfying pile.

He would, he decided, be a millionaire by 30.

McAuliffe got his start in fund-raising when a college friend lured him to the Carter campaign in 1979, the same year he graduated from Catholic University (as "Outstanding Senior," of course). Here was a career where hustle paid off in huge, readily grasped measures of accomplishment. The campaign sent him out to organize events around the country, often with nothing but the name of a single friendly local businessman in his pocket. It was, however, always a potent name, for this was the re-election campaign of an incumbent president: a name such as that of real-estate developer Walter Shorrock in San Francisco, or the legendary MCA chairman Lew Wasserman in Los Angeles.

By the time of the general-election campaign, he had done so well he was sent over to the Democratic National Committee as the top finance staffer. He was only 23, so he added five years to his age and wore glasses with clear lenses to lend himself a bit of dignity. In 1983 he was hired by Tony Coelho, then a California congressman, to raise money for the Democratic Congressional Campaign Committee.

This was where he began to have a big impact on the party. Before Coelho, the D.C.C.C. had been a desultory little shop, wanly raising money at a single dinner each year. Together, Coelho and McAuliffe courted business money as never before. Their crucial insight was that corporations' political-action committees could be sold, as a simple matter of business, on the advantages of supporting the incumbent party (or of, as fund-raisers like to say, "becoming part of the process"). They made the D.C.C.C. a powerful machine to perpetuate the party's control of the House, then the only part of government the Republicans had not won in Reagan's revolution. Just as the House Democrats were becoming the

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most important force in the party, McAuliffe and Coelho were making them more beholden to business than ever before.

In the meantime, McAuliffe had sped through law school, opened a law firm (which is to say a lobbying firm), and joined the board of a local bank, of which he would be made chairman before he turned 30. "When Terry was in, like, his late 20s, he already cut a figure about how rich he'd gotten, very quickly," says a former colleague. "He had this aura."

His practice of law was noteworthy for what it said about his shrewdness. He himself never actually lobbied, and he maintained a virginal ignorance about the workings of the legislative process. "In all the times I spoke to him, I don't think he ever wanted to talk about policy," recalls CNN's Brooks Jackson, the dean of the money-and-politics beat, who spent two years watching Coelho and McAuliffe for his influential 1988 book, *Honest Graft: Big Money and the American Political Process*. "In fact, he very much didn't want to talk about policy. He was kind of a policy sunnuch, in a way."

By keeping his distance from questions of policy, McAuliffe remained free to vacuum up cash for the D.C.C.C. without creating any unseemly connection between the sources of the cash and the results it bought. That was Coelho's end of the business, as richly documented in Jackson's book. And Coelho ultimately paid for the perceived connection between his power brokering and his own financial struggles, quitting Congress in 1989 after it was revealed that he had accepted an unusually favorable loan from a California savings-and-loan, and a sweetheart arrangement enabling him to invest in one of Michael Milken's junk-bond deals.

McAuliffe avoided such problems by keeping his personal gain at arm's length, merely steering the people he met through politics to his partners—who did the lobbying for his firm. "Terry just knew so many people," says his former partner lobbyist John Raffaele. "And people asked him, 'I got a problem, who do you recommend I use?'"

McAuliffe's conversations are heavily laced with rhetorical paeans to the workingman. But if he has any actual politics of his own, they're of the middle-of-the-road, pro-business sort. "People who are too left, too right—they just don't accomplish anything. I'm not a partisan Democrat," he says, in the externally pacific voice of the dealmaker. "I have

been successful in life because I stay positive."

"He has no political convictions I'm aware of," says a Democratic observer. "I think he'd tell you he's an institutional party man. But what that boils down to is, as long as the Democrats remain in power, he's in the catbird seat. It means new ventures, new sources of business, new avenues of personal advancement."

After his stint at the D.C.C.C., McAuliffe raised money for the presidential campaigns of Richard Gephardt (in 1988) and Senator Tom Harkin (in 1992). Both these candidates drew heavily on labor support and the more liberal elements of the party. But when Clinton won in 1992, McAuliffe had no trouble changing to a more centerist horse. He quickly entered the graces of the new administration by chairing the Democratic National Committee's business council. In under two years he increased from about 150

vestment counseling, insurance, credit-card marketing, homebuilding, telecommunications, venture capital, and some canny investing of profits. "He's involved in so many different things," says his elder brother John McAuliffe. "I talked to him a couple of years ago about what he did, and he told me all about it, and I walked away saying, 'I'm still not quite sure what you do, Terry.'"

When McAuliffe posted the \$1.35 million to help the Clintons win the contract on their house, he lost a measure of his useful camouflage. Everyone in politics knew McAuliffe was rich, but the house deal revealed him as being a different kind of rich—the kind that can raise a million in cash without batting an eye.

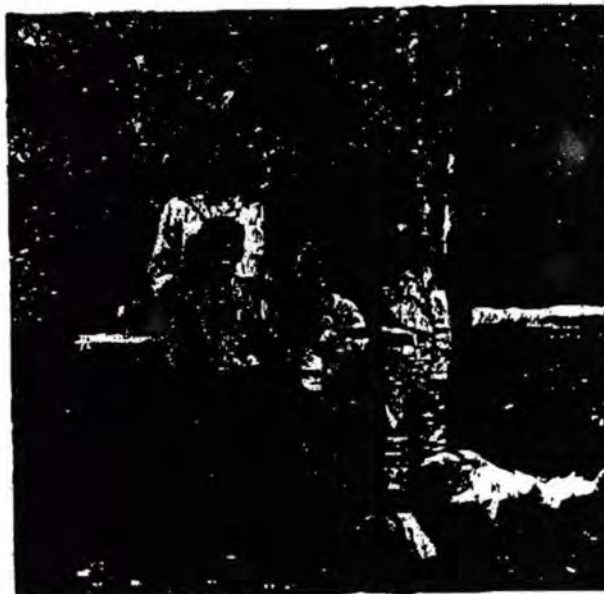
"It exposed me as being very wealthy, which I don't like," says McAuliffe. "Listen, my parents had no idea. My brothers had no idea." He refuses to comment on

friends' reports that peg his fortune at close to, possibly slightly over, \$100 million. Even his wife, he says, still doesn't know how much money the couple has. "She's got a great life. Listen, her credit cards are always paid and all that. She knows I do very well. But she has no idea. Myself and my accountants are the only people who know." Hearing him talk, it is odd to remember that Dorothy McAuliffe, 36, is also a Georgetown-trained lawyer who worked for some years in banking law before becoming a full-time mother to their children, Dori, Jack, Mary, and the newborn Sally. A down-to-earth brunette who seems to roll easily with the demands of life with McAuliffe, she clearly knew what she was getting into: the couple

met in 1979 when Dorothy was only 16 and her father was the Florida finance chairman for Jimmy Carter's re-election campaign. She and McAuliffe started dating three years later, when she was in college at Catholic University, and eventually married in 1988.

Terry McAuliffe obviously savors money as a scorekeeper, but he's not into displays of wealth. He still drives the white Jeep convertible, with no air-conditioning, that he's been driving since 1991. And while the McAuliffes do have a lovely old house in McLean, a posh Virginia suburb, which they bought in the early 90s for about \$1.2 million, their usual summer vacation is to rent a house in the slightly raffish town of Dewey Beach, on the Delaware shore.

One reason for McAuliffe's horror of showing his wealth is that he seems gen-



OFF DUTY

McAuliffe with his wife, Dorothy, who was then nine months pregnant, and their children (from left), Jack, Mary, and Dori, and dog, Bailey. Photographed on October 11, 1999, at the family's home in McLean, Virginia.

to 750 the circle of business donors who paid \$10,000 annually to belong. Clinton had come into office talking of campaign-finance reform and expanding the party's small-donor base. But by 1994 he had come to see the wisdom of the McAuliffe method: early that year, he tapped McAuliffe to become finance chairman of the entire D.N.C.

McAuliffe quit his law firm to take the post. But his own fortune continued to grow, from a skein of endeavors that have included, over time, banking, real estate, in-

PHOTOGRAPH BY HARRY BENSON

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inely to care about maintaining his connections to family and old friends. But another, clearly, has been the usefulness of blinding in: the fewer people who knew that he was very rich, the fewer would be asking questions about how he got that way.

The bulk of McAuliffe's fortune comes from some shrewd investments he has made over the past four or so years in high-technology stocks. ("To be honest with you," he says amiably, "if you could not have made money in the market in the last four years, you are an idiot.") In addition to playing the market, McAuliffe describes himself as a traditional entrepreneur, seeding new companies with venture capital. "I have probably been an investor and backer and supporter of over 100 companies," he says.

But the most striking element of McAuliffe's business life is the way it has paralleled his political work, benefiting at every turn from the contacts he has made through fund-raising. McAuliffe portrays himself as a sort of political philanthropist, graciously taking time off from his businesses to "give some back" by supporting politicians who believe in the common man. But the truth is that everything in his life—right down to his wife—has flowed from the headwaters of his work in politics.

Begin with his father-in-law, Richard Swann, whom he met during his first assignment with the Carter campaign. Swann, whose Orlando-based Pioneer Savings & Loan went bust in 1990, is now in business with McAuliffe in a cluster of real-estate companies and spin-off concerns (title insurance, home financing) based in central Florida.

Another political contact was Carl Lindner, the head of Chiquita and the financial conglomerate American Financial Group, in Cincinnati. Lindner and some associates invested with McAuliffe four years ago in a Florida-based homebuilding business, American Heritage Homes. With McAuliffe as its chairman, it has grown to have the largest sales volume of any homebuilder in central Florida, putting up modest houses (average price, \$130,000) in developments with names like Lake Steer Pointe and Deer Pointe at Falcon Trace.

Still another valuable connection was with Martin Davis, a political consultant. Together they successfully persuaded the 13-million-member AFL-CIO to shift its credit-card business to their client, Household International Corp., which hired the pair in early 1996, when McAuliffe was widely known as Clinton's top fund-raiser. McAuliffe and Davis reportedly split commissions worth several million dollars.

Later that year, through an old political

colleague, McAuliffe met a former Drexel Burnham Lambert bond trader named Gary Winnick. As *The Wall Street Journal* recently reported, McAuliffe made his biggest score yet when Winnick invited him to participate in a transatlantic-cable endeavor called Global Crossing. McAuliffe's initial investment of \$100,000 is worth at least \$18 million today, he says, and he bought more shares as the price of the stock rocketed.

There is nothing remotely illegal about making such sterling connections through politics, McAuliffe says. "The [criticism] is 'He met people through politics and has done well.' Well, I'll plead guilty to that.... My point always is, if I didn't do what I do today [in fund-raising], I'd probably be a billionaire."

Yet McAuliffe's career has taken him fairly often to the outskirts of legal difficulty. Last May, for example, the U.S. Department of Labor sued the two trustees of a union pension fund that had invested heavily with McAuliffe in some real-estate ventures he designed. The suit alleges that the fund trustees, who invested the pensions of two electricians' unions, made a series of risky deals that gave the unions' working men and women a lower-than-reasonable return. McAuliffe, who had put up only \$100 of his own money, earned at least \$24 million on the deals. But he was not the person accountable for the funds. So while his former partners are explaining themselves in U.S. District Court, McAuliffe has borne none of the penalties for the arrangements he made.

His closest shave came in the 1996 Clinton campaign. The most scandalous elements of the president's fund-raising—the Buddhist-temple affair, the illegal foreign contributions rustled up by D.N.C. fund-raiser John Huang, the wholesale dealing in White House perks such as coffees and sleepovers—were technically violations by the Democratic National Committee, not the Clinton-Gore campaign. As McAuliffe is fond of pointing out, the Clinton-Gore campaign itself, for which he chaired the fund-raising, was not accused of illegalities. But as Senator Fred Thompson's investigation demonstrated, the distinction between the Clinton White House and the D.N.C. was a thin fiction. While there is no evidence connecting McAuliffe to any foreign funds, he was certainly aware of the overall strategy by which Clinton was circumventing the law limiting expenditures in presidential campaigns. Briefly, the D.N.C. spent \$44 million on "issue ads" funded largely by unregulated soft-money donations to the party, but closely supervised by the White House. To pay for these ads, the party abandoned almost all restraint on its fund-raising practices.

McAuliffe was the author of a famous memo asking the president to meet with top

donors, on which Clinton scribbled a note urging his staff to set up more overnights, and other such White House perks, at \$50,000 and \$100,000 a pop. McAuliffe initiated the White House coffees that the D.N.C. eventually adopted, overturning a long-standing prohibition on raising money on the premises. These weren't fund-raisers, the administration firmly insisted; they were "donor-maintenance events," for which no specific amount was solicited to attend that specific event. It was a total coincidence that 92 percent of the people attending these events gave to the party in 1995 or 1996, \$26.4 million altogether.

By 1996, McAuliffe had far transcended the kind of nuts-and-bolts work that would have assigned him any line responsibility for the inner workings of the D.N.C. This, too, is part of his method. When unpleasant management tasks arise, says a former McAuliffe staffer, "his big thing, always, was 'Hey, that's a staff issue. That's yours.'" In his depositions with Thompson-committee lawyers, he sought to portray himself both as the all-knowing King of Money and, where it was convenient, as a distant figurehead who was out of the loop.

McAuliffe came nearest to serious trouble over a byzantine scheme between the D.N.C. and the re-election campaign of Ron Carey, who was then president of the Teamsters Union. Three people connected with the Teamsters have pleaded guilty to acts that included agreeing to swap contributions with the D.N.C.: they would give the Democrats a million dollars in Teamsters' political funds, they proposed in the summer of '96, if the D.N.C. would in turn steer a \$100,000 contribution to Carey's campaign. The deal was brokered by campaign consultant Martin Davis, McAuliffe's former partner in the AFL-CIO credit-card deal.

McAuliffe denied knowing anything about the swap scheme, saying that Davis—one of those who pleaded guilty in the case—had simply offered to steer a Teamsters donation to the D.N.C., and that he had referred Davis to colleagues at the D.N.C. He couldn't even remember ("to be honest with you") when Davis had approached him.

But two witnesses told Senate investigators that McAuliffe had urged them to try to find a donor for Carey's campaign, and Davis identified him in his plea as the Clinton operative who had agreed to the swap. During the November trial of a Teamsters official, former D.N.C. finance director Richard Sullivan testified that McAuliffe had explicitly urged him to find a donor for the Carey campaign in order to get a Teamsters donation in return.

Yet federal prosecutors apparently decided not to pursue anyone on the D.N.C. end of the scheme, in part because its half of the bargain was never fulfilled, there was no legal violation as obvious as the one on the Team-

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mers' end, where the actors were proposing to use Teamsters' funds illegally to strengthen Carey's control of the union. McAuliffe was extensively questioned about the case, but says, "I was never a target, never a subject" of the investigation. He seems likely to suffer nothing worse than a slap on the wrist that was delivered in the Thompson committee's report.

Of all the stories McAuliffe tells about his amazing life, one is, hands down, the most extraordinary:

It is an August night in Skaneateles, New York. The president and First Lady have just won the contract on their new house in New York, after a frantic effort to find a rich friend willing to post collateral for the mortgage. They have been turned down by old friends like Erskine Bowles and Thomas "Mack" McLarty, but finally bailed out by the kindness of their good friend Terry McAuliffe. Now, near dinner time, Clinton and McAuliffe are riding in the presidential motorcade, talking about what to eat.

The president turns to the benefactor who has just coughed up more than a million dollars in cash: "He says, 'Terry, why don't you figure out how we can get a couple of pies to bring back to the house? A couple of pizzas?'"

"I say, 'What do you want on it, Mr. President?'"

In a close personal friendship with the president, in other words, the president is going to get the better end of the deal.

In addition to the bushels of money McAuliffe has already raised for the Clintons, it would be astonishing if the president didn't turn to McAuliffe, once he leaves office, for a piece of the action. If you were leaving office at the age of 54 and wanted to earn some serious money for the first time in your life, you couldn't ask for a better tutor than Terry McAuliffe.

But for McAuliffe success has carried its own punishment. He has taken on every task the Clintons have asked of him, and most of his friends say he is overextended. "He's got way too many things going," says John Raffaele, McAuliffe's friend and former partner. "I think Clinton has totally seduced the sonofabitch."

"If he has one big problem, it's that he can't say no to the Democratic Party or the Clintons," observes another friend. "He gets wrapped up in everything the Clintons do."

His friends agree that he would like at some point to move away from his identity

as the party's cash machine and be seen as a more substantive figure. He planned to make this move after Clinton's re-election; it was generally understood that he was in line to be secretary of commerce in the second term. But when the fund-raising scandals broke, it was instantly apparent that he couldn't make it past the Senate.

He was, friends say, deeply disappointed. "The paradox is that he wants more than anything else to parlay the money into some other form of respectability. And in the end it always comes back to the money. He can't get away from it," says one McAuliffe-watcher.

And commerce secretaries are a dime a dozen compared with men of McAuliffe's gifts and loyalty.

Does he ever chafe at how much more useful he is to the president in his current role? One former Clinton staffer says bluntly that "Clinton has sold out all his friends, in the end.... It would be interest-

says. "I love it. Just bein' with the president, and flyin' all over the country, and ridin' around with him. I'm just in the action." Lingering in the restaurant following the president's phone call, he confides, "He said, 'Terry, I love you. You're a great American.' That's what he just said to me."

Terry McAuliffe is, more than anything, a greatly magnified embodiment of everyone who gives money to politicians. Many people donate for the darkest reasons we imagine, with at least the hope of buying policy or access. Others donate because they really believe in the promise of the party or person they're supporting. But lots of people—even, in many cases, those same people, dark or fervent—give for more human reasons.

They do it because they want face time; they do it for a photograph; they do it because they want to be part of the crowd that hangs with the president, or the vice president, or the congressman or the speaker or the mayor. They do it because someone they know, or feel vaguely obligated to, asks them to do it. They do it because it feels great to know there is someone in Washington whose job it is to remember their birthday. Sometimes they do it because that is what men of their social circle or business set or peer group do. They do it because—whether they're good for \$1,000 in exchange for a signed photograph of themselves with the vice president, or \$50,000 for a night in the Lincoln bedroom—it makes them feel important.

This is the strange kernel of sociability at the core of our system. Almost everyone in Washington would secretly admit that money is a moral lesion on the heart of American politics, and that it is one of the reasons most citizens have such a brittle connection to their government. Yet no one in Washington holds his buddies responsible, because everyone's just playing by the rules. And it's hard to change the rules when, after all, they're just part of the scenery, and the scenery is peopled by such nice guys.

The folks who raise and give the money—an already unprecedented crop for the coming election—are not the fat oligarchs of popular imagination, chuckling over bags of cash. They are pleasant men like Terry McAuliffe, going about the frictionless business of their lives.

To be honest with you, that's either the good news or the bad news. □



DIALOGUING FOR DOLLARS

At a 1986 fund-raiser in Washington, D.C., McAuliffe stands between Warren Beatty and Gary Hart. At left is Mark Green, that year an unsuccessful Democratic candidate for the Senate from New York. Note the multiple variations on a theme of Kennedyesque hair.

ing to find out how Terry sees it. Because that's the best way to have a relationship with Clinton—to see what's in it for you, without any illusions."

Clearly, one thing that's in it for McAuliffe is the pure, alpha-male satisfaction of knowing how badly the president needs him. And, clearly, it's not bad for business. But beyond that, cynics should probably tread with care. For there's no getting around the fact that McAuliffe is thrilled to the chills of his golf shoes simply to be hanging out with the president. "I lo-o-o-o-ve the action," he

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CURRENT STATUS OF 2001 ON-BUDGET SURPLUS

(in billions of dollars)

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	Total '01-'10
Mid-session baseline on-budget surplus	6	24	65	58	78	93	141	174	203	241	279	1,357
Impact of economics (incl debt service)	25	38	37	25	16	14	12	13	11	7	4	176
Legislation and potential reestimates:												
Medicare.....	10	10	10	10	10	10	10	10	10	10	10	100
Other.....	-27	-11	-11	-3	-3	-2	-0	0	1	2	3	-24
Revised on-budget baseline surplus.....	13	61	101	90	100	115	163	197	225	260	296	1,608
Fund FY 2001 discretionary at freeze with technical adjustments.....	--	-32	-37	-38	-32	-35	-34	-30	-24	-21	-19	-301
Fund defense topline.....	--	-22	-19	-14	-15	-15	-15	-15	-15	-15	-15	-161
Additional funding for veterans.....	--	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-12
Fund initiatives/inflation.....	--	--	-9	-16	-24	-31	-39	-47	-55	-63	-71	-356
Related debt service	--	-1	-5	-8	-12	-17	-22	-28	-34	-41	-49	-218
Revised on-budget surplus/deficit(-).....	13	5	29	11	16	16	52	76	96	119	141	560
Repropose selected offsets (including debt service):												
Continue Federal Reserve Policy.....	--	4	0	0	0	0	0	0	0	0	0	6
Continue obligation delay.....	--	2	0	0	0	0	0	0	0	0	0	3
Superfund and other.....	--	2	2	2	2	2	2	2	2	3	3	22
Tobacco Taxes.....	--	8	7	7	8	8	9	9	9	10	10	85
Fund emergencies (including debt service).....	--	-9	-11	-12	-14	-15	-16	-17	-18	-19	-20	-149

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DEVELOPING THE FRAMEWORK FOR THE FY 2001 BUDGET

The Framework for the FY 2000 Budget: Save Social Security and Medicare First

Save Social Security and Medicare First was the organizing principal of the FY 2000 budget. The budget proposed a separate budget policy “pending reform” and “with reform.” This had implications in all areas of the budget:

- **Discretionary Spending.** Proposed spending in 2000 was fully paid for using offsets. Without Social Security and Medicare reform, spending in future years would also have been paid for with offsets. With reform, the budget would have increased the discretionary spending caps by \$328 billion over 10 years.
- **Medicare.** Proposed \$374 billion over 10 years to extend solvency through 2027. A prescription drug benefit was only to be done in the context of both transfers and reforms; this benefit was to be paid for by Medicare savings.
- **Social Security.** The budget proposed a specific plan to use transfers to extend solvency and a bipartisan process to make the tough choices necessary to achieve long-run solvency. As part of a plan to achieve long-run Social Security solvency, the budget proposed that we take steps to reduce widow poverty and eliminate the retirement earnings test.
- **Tax Cuts.** The budget included paid-for, targeted tax cuts. The \$250 billion unpaid-for tax cut was part of a retirement savings agenda that could only be done in the context of a major entitlement reform.

FRAMING QUESTIONS FOR DISCRETIONARY SPENDING

Major Issues In Organizing Discretionary Spending

1. ***Should we stay with the previous budget framework?*** This would keep unpaid-for increases in discretionary spending above the caps contingent on major entitlement reform.
2. ***Should we propose higher discretionary caps?*** Propose higher discretionary caps and use the same “Social Security and Medicare first” framework for any spending or tax cuts beyond that. The higher discretionary caps would be presented not as a spending increase but as a fiscally responsible way to recognize the necessary spending by the government.
3. ***Should we propose funds to pay for major new initiatives?*** New funds could be established to pay for spending beyond the caps on major new initiatives, possibly in the form of new trust funds in the areas of medical research, children, or the environment.

FRAMING QUESTIONS FOR MEDICARE

How Recent Developments in Medicare Affect Our Proposal

- **Baseline Spending Is Falling.** Spending in 1999 was \$9 billion lower than the Mid-Session Review forecast and \$1.5 billion lower than 1998 spending. The effects of this are:
 - Next Trustees report (April 2000) will likely show that Medicare solvency is substantially longer than 2015.
 - Support for reform – as well as traditional program savings and BBA extenders – has lessened with the better outlook for Medicare.
- **Support for Universal Medicare Prescription Drug Benefit Is Growing.** Senators Breaux, Snowe, and Wyden are now advocating universal – albeit flawed – drug benefits. The Republican leadership has indicated interest. Base Democrats and academics seek adding some type of catastrophic coverage. Yet, the cost of drug benefits will rise with the new baseline.

Major Issues in Allocating the Surplus for Medicare Solvency

1. *Should our goal be a particular solvency date for Medicare, like 2027.*
2. *Should we continue to allocate \$374 billion over 10 years for Medicare, as we did in the MSR proposal?*
3. *Should we use one-third of the on-budget surplus for Medicare?* This would be consistent with the Social Security and Medicare legislation we transmitted to Congress.

Major Questions In Developing a Framework for the FY 2001 Prescription Drug Proposal

1. Would we propose/accept a prescription drug benefit paid for with tobacco money and other offsets, without necessarily making it contingent on Medicare reform?
2. Would we propose/accept a prescription drug benefit paid for with the surplus, without necessarily making it contingent on Medicare reform?
3. Would we propose/accept a prescription drug benefit together with some Medicare reforms, but without solvency transfers?

FRAMING QUESTIONS FOR SOCIAL SECURITY

Major Political-Strategic Question: *Do we want to make a major political move – either entering into negotiations or proposing more specifics for our Social Security policy?*

Major Budget Issues in Revising Our Social Security Proposal

1. ***Should We Keep the Social Security Proposal the Same?*** (Begin transfers in 2011 to extend solvency to 2050; continue to propose a bipartisan process to make tough choices for long-term solvency.)
2. ***Do We Include Equity Investment as Part of the Proposal or as an Option?*** The SOTU and MSR proposals included equity investment. There was no equity investment in the legislation transmitted to Congress.
3. ***Should Social Security Transfers Start Earlier, Possibly in 2001?*** This change would extend solvency further and demonstrate commitment to Social Security. It would, however, divert resources from other uses and, even then, there may not be sufficient on-budget surplus to start transfers in the first few years.
4. ***Should We Do (2) but also Invest in Equities?*** This combination could extend solvency well past 2050, but probably would not be enough to achieve 75-year solvency.
5. ***Should We Try to Do Something On Widow Poverty and Retirement Earnings Test Without Long-term Solvency?*** We could propose to try to do something *this year* on widow poverty and the retirement earnings test by proposing solvency-neutral steps that could be taken even if they were not part of 75-year reform.

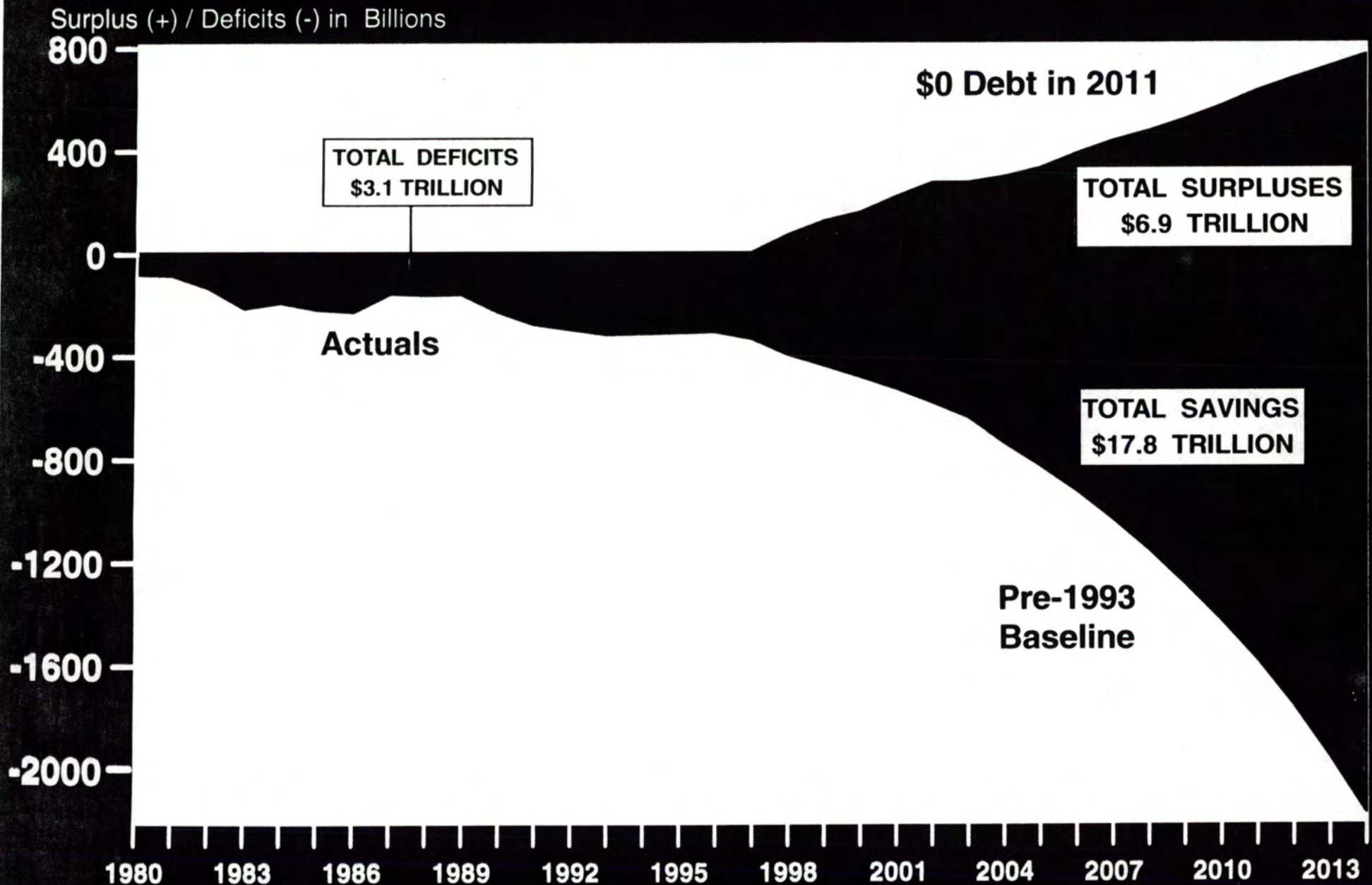
FRAMING QUESTIONS FOR TAX CUTS

USAs were a retirement savings initiative that was only supposed to be done as part of Social Security reform.

Major Budget Issues In an FY 2001 Tax Proposal

1. Should we only propose a paid-for tax cut?
2. Should we propose an unpaid-for savings tax cut only in the context of Social Security and Medicare reform?
3. Should we propose an unpaid-for savings tax cut even without necessarily doing Social Security and Medicare reform?
4. Should we propose an unpaid-for, non-savings tax cut in the context of Social Security and Medicare reform?
5. Should we propose an unpaid-for, non-savings tax cut without necessarily doing Social Security and Medicare reform?

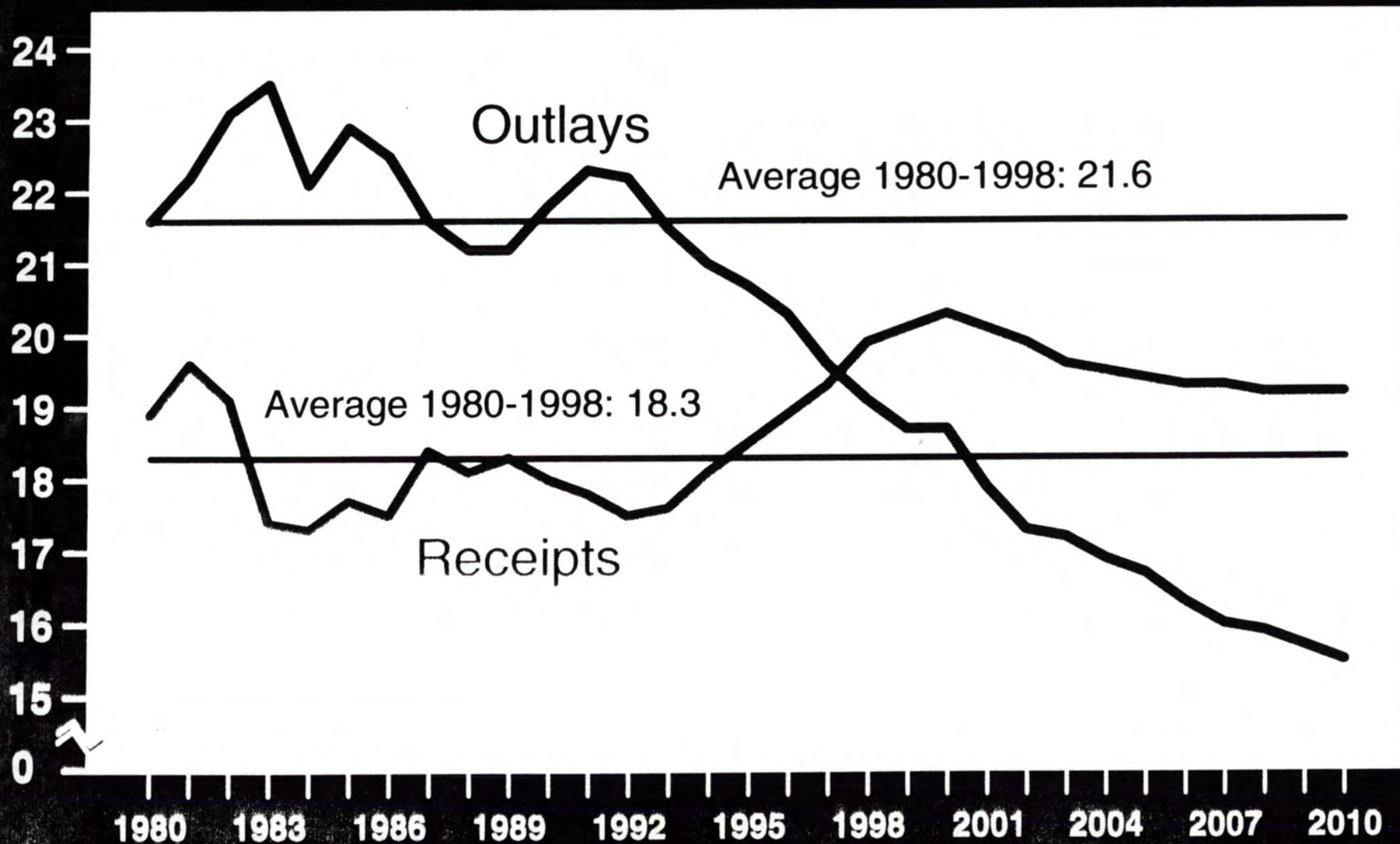
The Budget is in Surplus after Years of Deficits



Trends in Receipts and Outlays

(Including Interest Payments)

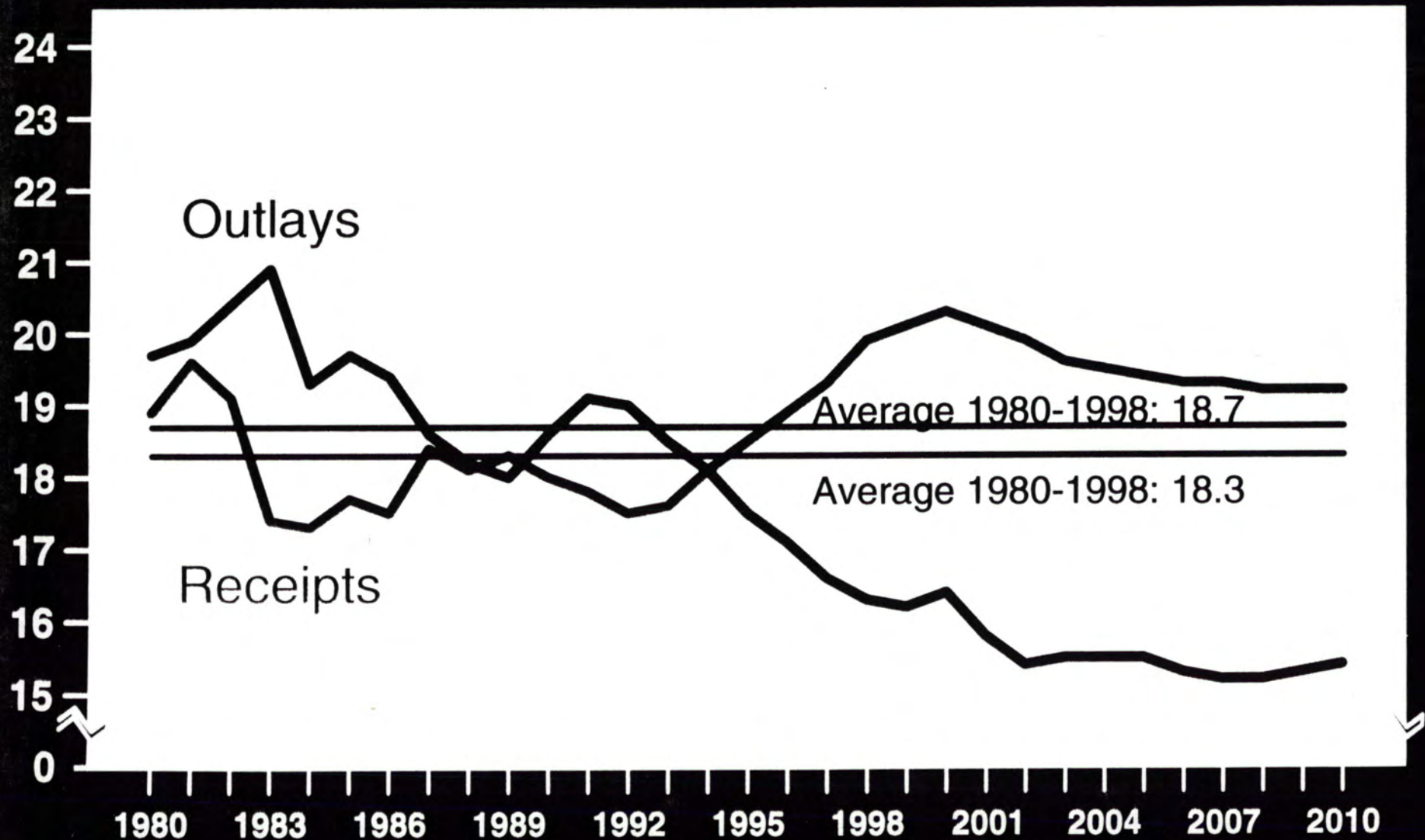
Percent of GDP



Trends in Receipts and Outlays

(Without Interest Payments)

Percent of GDP



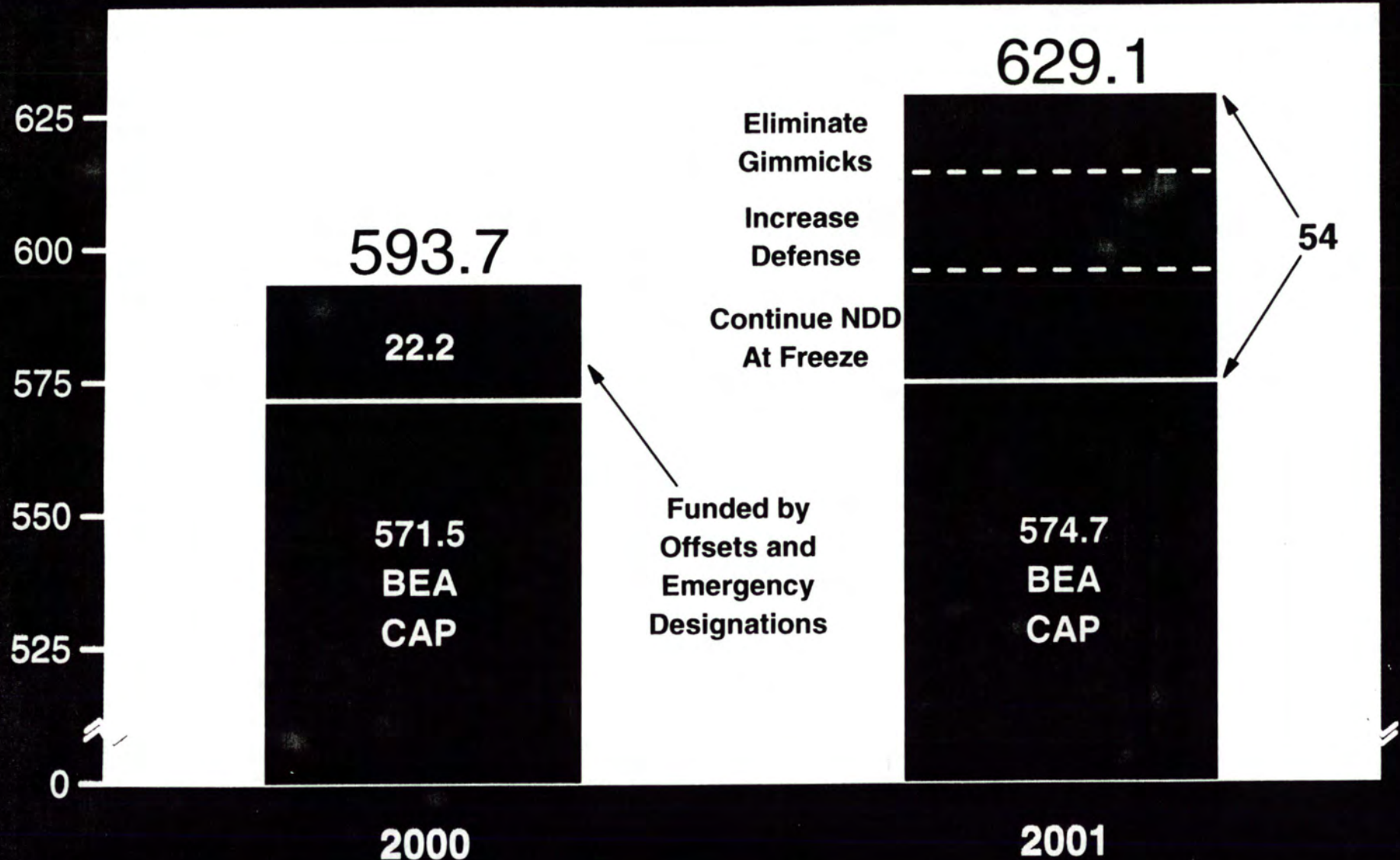
POTENTIAL 2001 ON-BUDGET SURPLUS FUNDING REQUIREMENT
(in billions of dollars)

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	Total <u>'01-'10</u>
Nondiscretionary proposals included in the Administration FY2000 framework:												
Universal Savings Accounts.....	---	-1	-1	-3	-22	-28	-48	-48	-48	-52	-56	-307
Medicare:												
Lock box transfer.....	---	-0	-12	-5	-7	-10	-30	-60	-84	-114	-141	-463
Prescription drug outlays.....	---	-1	-5	-8	-7	-6	-6	-5	-4	-4	-5	-51
Related debt service	---	<u>-0</u>	<u>-0</u>	<u>-1</u>	<u>-2</u>	<u>-3</u>	<u>-6</u>	<u>-9</u>	<u>-12</u>	<u>-16</u>	<u>-19</u>	<u>-68</u>
Total.....	---	-2	-17	-17	-38	-48	-90	-121	-149	-186	-221	-889
Other mandatory and revenue initiatives												
Revenues.....	Paid for by revenue offsets											
Health care.....	Paid for by health offsets											
Child care, early learning and other.....	---	-2	-3	-4	-4	-5	-6	-6	-7	-8	-9	-54
Fund emergencies	---	-9	-11	-12	-14	-15	-16	-17	-18	-19	-20	-149

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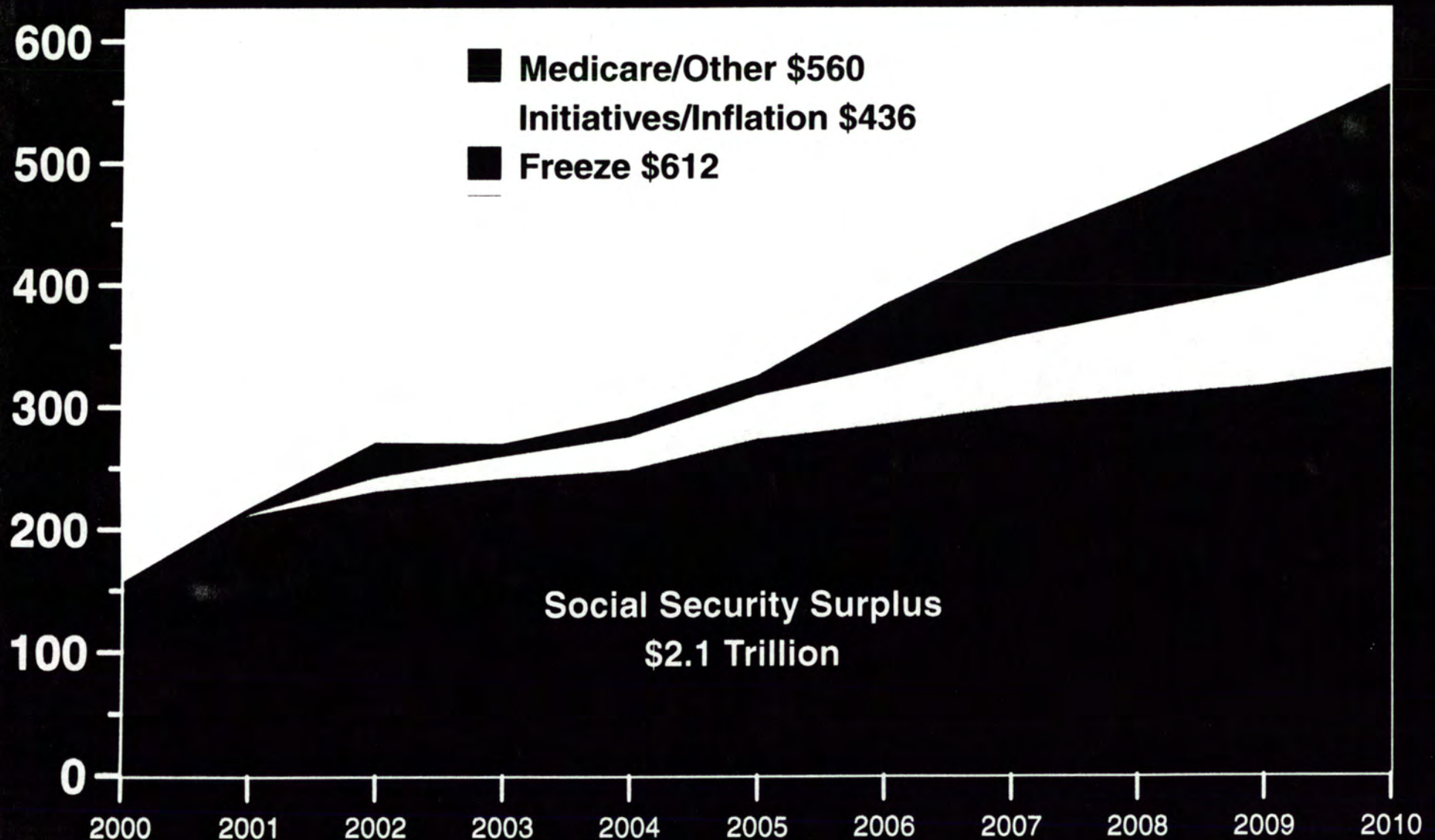
Discretionary Funding Levels

Outlays in Billions of Dollars



Uses of the Budget Surplus

Dollars in Billions



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will be adopted
by 100s of
companies by next
year. They will help
you with W.T.O. and
China. Speak to
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② • On June 22nd next
year ~~we will be~~ honoring you here
at the Hilton for
your efforts for Africa.
You told me you
will be there. Please
come.

• Support "Sandy"
in our efforts to
halt the spread
of HIV-AIDS in
Africa - Please.

Leon

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THE NEW YORK TIMES, WEDNESDAY, NOVEMBER 3, 1999

Leon Sullivan Plans to Apply His Principles Worldwide

By CHRISTOPHER S. WREN

UNITED NATIONS, Nov. 2 — The Rev. Leon H. Sullivan, the Baptist minister who drew up the so-called Sullivan principles to hold American companies in South Africa accountable during apartheid times, announced today that he is taking his gospel of compassionate corporate responsibility worldwide.

"Human rights and social and political justice in communities and nations of the world will not be possible in the future without the global efforts of companies," Mr. Sullivan said to an audience at United Nations headquarters that included executives from corporate giants like General Motors, Chevron, Sunoco and Colgate Palmolive.

The global Sullivan principles, as their author describes them, promote "equal opportunity for employees of all ages, races, ethnic backgrounds and religions. They call for adequate compensation, fair competition, safe and healthy workplaces, and freedom of association. And they condemn exploitation of children, abuse of women, physical punishment and involuntary servitude.

Mr. Sullivan expressed belief that the principles would in time guide hundreds of thousands of companies "from China to Cairo, to Bogota to California."



Marilynn K. Yee/The New York Times

The Rev. Leon H. Sullivan at the United Nations, addressing an audience including corporate chiefs.

He drafted his code of conduct for American companies in South Africa in 1977 in an attempt to end workplace discrimination against blacks there. In 1987, Mr. Sullivan urged businesses to sell their assets and leave the country.

The United Nations secretary general, Kofi Annan, who joined today's meeting, said that putting Mr. Sullivan's principles into practice around the world would be "a big step" toward carrying out the values in the United Nations Charter.

In an interview later, Mr. Sullivan, who is 77, described the start of his campaign today as "a millennium event."

"It will spread in the next year to thousands and tens of thousands of companies," he said. "Companies of the world, spread your wings."

THE GLOBAL SULLIVAN PRINCIPLES OF CORPORATE RESPONSIBILITY

Announced November 2, 1999 at the United Nations in New York City, NY.

The Preamble

The objectives of the Global Sullivan Principles are to support economic, social and political justice by companies where they do business; to support human rights and to encourage equal opportunity at all levels of employment, including racial and gender diversity on decision making committees and boards; to train and advance disadvantaged workers for technical, supervisory and management opportunities; and to assist with greater tolerance and understanding among peoples; thereby, helping to improve the quality of life for communities, workers and children with dignity and equality.

I urge companies large and small in every part of the world to support and follow the Global Sullivan Principles of corporate social responsibility wherever they have operations.

The Reverend Leon H. Sullivan

THE PRINCIPLES

As a company which endorses the Global Sullivan Principles we will respect the law, and as a responsible member of society we will apply these Principles with integrity consistent with the legitimate role of business. We will develop and implement company policies, procedures, training and internal reporting structures to ensure commitment to these principles throughout our organization. We believe the application of these Principles will achieve greater tolerance and better understanding among peoples, and advance the culture of peace.

Accordingly, we will:

- Express our support for universal human rights and, particularly, those of our employees, the communities within which we operate, and parties with whom we do business.
- Promote equal opportunity for our employees at all levels of the company with respect to issues such as color, race, gender, age, ethnicity or religious beliefs, and operate without unacceptable worker treatment such as the exploitation of children, physical punishment, female abuse, involuntary servitude, or other forms of abuse.
- Respect our employees' voluntary freedom of association.
- Compensate our employees to enable them to meet at least their basic needs and provide the opportunity to improve their skill and capability in order to raise their social and economic opportunities.
- Provide a safe and healthy workplace; protect human health and the environment; and promote sustainable development.
- Promote fair competition including respect for intellectual and other property rights, and not offer, pay or accept bribes.
- Work with governments and communities in which we do business to improve the quality of life in those communities - their educational, cultural, economic and social well-being - and seek to provide training and opportunities for workers from disadvantaged backgrounds.
- Promote the application of these principles by those with whom we do business.

We will be transparent in our implementation of these principles and provide information which demonstrates publicly our commitment to them.

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Energy Dept. Will Cut Standard for Its Workers' Exposure to a Metal Tied to Lung Disease

By MATTHEW L. WALD

WASHINGTON, Dec. 7 — The standard set by government nuclear bomb makers 50 years ago for exposure to beryllium, a metal once used almost exclusively in nuclear weapons but now common in golf clubs and cars, has made scores of workers sick with a chronic lung disease, and the Energy Department will announce a rule on Wednesday sharply cutting the exposure for workers in its plants.

Because the new standard will apply only to government plants, workers in civilian factories will still fall under the old, higher level. The Occupational Safety and Health Administration alerted workers in September that its current standard, borrowed from the nuclear weapons industry in 1971, "now appears to be too high to prevent chronic beryllium disease," an auto-immune disorder

resulting from inhaling particles of the metal. But the agency has not changed its standard. The action by the Energy Department puts it in the unusual role of being stricter than its civilian counterparts in health and safety regulations.

The Energy Secretary, Bill Richardson, said, "We know some of our workers are getting sick from beryllium, and we now have in place the toughest and most comprehensive protections in the world to prevent future cases of this terrible disease."

Beryllium has found a variety of specialty uses in electronics and other fields, because it is light, stiff and transparent to X-rays, and conducts heat well. It is not a hazard to users of products like golf clubs, said Dr. Milton D. Rossman, a pulmonary specialist at the University of Pennsylvania, unless the golfer decides "to sand them down."

Beryllium is a unique case in the annals of nuclear weapons manufacture because it is the only substance that the government has acknowledged caused injury and death at levels allowed under its regulations. The Energy Department has used little beryllium recently because it has built only a few nuclear weapons, but the decontamination of old bomb plants is expected to increase the potential for beryllium exposure.

C. Rick Jones, director of the Office of Worker Protection Programs and Hazards Management in the department, said, "There is a whole new work force that potentially is going to be exposed during this cleanup activity."

Dr. David Michaels, the assistant secretary for environmental safety and health, said, "We think this is a long way toward eliminating chronic beryllium disease."

Hazard in a nuclear-age material now found in golf clubs.

But among people susceptible to chronic beryllium disease, Dr. Michaels and other experts said, even brief exposures to small quantities may be sufficient to cause the disease.

The disease can cause shortness of breath, chest pain, fevers, night sweats and other symptoms, and can be debilitating or fatal.

The old standard, set by the Atomic Energy Commission in 1949, was adopted in 1971 by the Occupational Safety and Health Administration for civilian plants, but among weap-

ons workers has caused at least 146 people to develop a disease, according to the Energy Department. Hundreds more show a condition that is likely to progress into the disease, according to the new regulation, which will be published in the Federal Register on Wednesday. The Clinton administration recently proposed legislation that would compensate people who worked for companies that supplied the government with beryllium.

The new rule requires worker protection measures, like respirators, at 0.2 of a microgram per cubic meter of air, while the 50-year-old standard set worker exposure levels at 10 times as much.

The new rule is unusual because it states explicitly that the government simply does not know what level, if any, is safe. The strategy to minimize exposure mimics the regula-

tory scheme for radiation, in which the government sets ceilings but also demands that exposures be kept as low as reasonably achievable.

Even the old standard limited exposures to small quantities. In its warning, the Occupational Safety and Health Administration pointed out that two micrograms per cubic meter was equivalent to "a marble-sized piece of material that is pulverized and dispersed" into an area 1 mile by 1 mile by 6 feet.

At the major American maker of beryllium, Brush Wellman Inc., of Cleveland, Marc Kolanz, the director of environmental health and safety, said action levels should be set specific to each place where beryllium was used, because in a laboratory, for example, the 0.2 microgram level was probably too high. He said his company already tried to minimize exposures even below the standard.

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Date December 9, 1999

Number of pages 8 (including cover page)

to: Name Betty Currie for Pres. Clinton

from: Name RHONDA J. ROSE

Company WHITE HOUSE

Company over 11 1/2 yrs. fighting for justice

Telephone (202) 456-1414

Telephone (360) 335-1107

Fax (202) 456-2883

Retaliation by U.S. Dept. of LABOR

Comments AGENCY LIASON WAS NOT helpful (past + last year)
Senator Morray said only President can help.
Respectfully request Sec. Herman personally review my
case & these documents. Her staff scoffed & refused to help. R.R.

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Natl Employment Lawyers Assoc. President - SAN FRANCISCO - Retaliat.

12/10/99

Send to Ben Khandt

Yes ☒

No ☐

Carol

99 DEC 10 PM 11:03

Setty- PRESIDENT CLINTON,

I have permanent damage to my spine. My muscles and soft tissue have been affected. It didn't happen in one day. The damage slowly spread throughout my entire spine and musculature over a three year period. During these years I had been one step away from becoming homeless. My daughter wore torn clothes and was ridiculed by her school mates. My anxiety over my pain and fear of destitution made matters worse.

Doctors wouldn't see me or treat me without money or insurance. I had neither. I even brought in my alarm clock and binoculars in hopes the doctor would take these material things in lieu of cash. He didn't. The "free" clinic wanted money. Welfare wanted me to pay \$100.00 deductible each month. That would have been out of my rent money.

My deformity advanced. I experienced dull aches, pin point pricks of pain, violent spasms, running pain up and down, tingling pain, numbness and sharp tearing pain.

I became increasingly bedridden. My daughter didn't understand. She was scared of my pain and its affect on me in every way. Our life style changed. Friends stopped calling or coming over. I was left frightened, suffering and isolated. As I slowly withdrew from a normal existence I also withdrew from my daughter. She was left alone to care for herself. She washed dishes and clothes. She cooked her own meals. She was only eleven years old.

I withdrew into myself. I discovered myself without all the stimulus of friends, work, and society's customs. It was just me and my feelings. My body and mind became less and less functional while my feelings; desires, wishes, self-concepts became more and more clearly understood. I was in a drama between suffering and pain and spiritual enlightenment.

After three and one half years of increasing disability I finally began a proper treatment program with St. Mary's Spine Center in San Francisco, California. I finally experienced relief from living in a body full of constant pain.

I finally found an attorney to sue the U.S. Post Office and the U.S. Dept. of Labor. They denied me the "prompt medical treatment" required by the Federal Worker's Compensation Laws. I had injured my back while I was working for the U.S. Post Office in Santa Rosa, California. I was lifting approx. 6000+ lbs. of mail per day. I trusted my employer to respect my life, my well-being and health needs. That was my mistake and according to my research the mistake of thousands of other injured federal employees. (I've written the whole story in "Paranoia Poison", my book).

Written by Rhonda J. Rose

© 1989

New chapters © 1998 Rose

(360) 335-1107

1999 - N.E.L.A. Presid
"Retaliation C

SAN FRANCISCO
LAW FIRM
"It's too big
H. Pyle

MAY 1998 - Seattle, WA. - U.S. Dept. of Labor

Office of Workers Comp. - Director Bill Howard
stated "I don't have to value any doctor's
reports in your file." & then said "Now, why
DON'T you tell me about the LAWSUIT you HAD AGAINST US?"

PATTY MURRAY
WASHINGTON

PK 5142
A13-666629

COMMITTEES:
APPROPRIATIONS
BANKING, HOUSING, AND URBAN AFFAIRS
BUDGET

United States Senate

WASHINGTON, DC 20510-4704

Special

March 18, 1994

Joan Primm
Acting District Director
Federal Employees Compensation
U.S. Department of Labor
1111 Third Avenue, Suite 650
Seattle, WA 98101

Dear Ms. Primm:

Thank you for faxing my office a copy of the decision rendered in the workers' compensation claim of Rhonda Rose (A 13-666629).

I would appreciate some clarification regarding the medical evidence submitted by Dr. Yao. Your decision states that the report does not provide any discussion as to the relationship of the information in the report to the decision terminating compensation. Ms. Rose feels that the first three paragraphs on the second page of his report do exactly that.

You also state in the decision that new evidence was not submitted, but Dr. Yao's is new evidence. Ms. Rose is quite confused by this statement.

I would appreciate your having the appropriate official address these issues, so that I can respond to Ms. Rose's complaints about the decision. Please respond to my Seattle office.

Sincerely yours,

Patty Murray

Patty Murray
United States Senator

*Murray's staff
told me that only
one that can
help me is
Bill Clinton
he did*

BARBARA BOXER
6TH DISTRICT, CALIFORNIA



307 CANNON BL
WASHINGTON, DC 20515
(202) 225-5161

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YOUTH, AND FAMILIES

Congress of the United States
House of Representatives
Washington, DC 20515

CO-CHAIR
MILITARY REFORM CAUCUS

August 25, 1992

WHIP AT LARGE

Ms. Rhonda Rose
206 1/2 Chuckanut Drive
Bellingham, Washington 982266

Dear Ms. Rose,

I am responding to your letter of July 21, 1992 regarding the termination of your OWCP payments.

My staff has thoroughly researched your unfortunate situation with the House Committee on Education and Labor. The Committee attorney and staff does not usually involve itself in individual cases, but in your case the Committee staff and attorney have carefully examined your complaint.

The Committee has done all that it has the power to do and has exhausted its remedies as to your case. The next step must be taken by you as the injured party.

You must now appeal personally to the Secretary of Labor. The Committee suggests you write a simple letter stating the facts of your case, and that you include any pertinent medical information.

You should address your letter as follows:

Honorable Lynne Martin
Secretary of Labor
200 Constitution Avenue, N.W.
Washington, D.C. 20210

I wish you well and thank you for your warm words.

In friendship,

Barbara Boxer

BARBARA BOXER
Member of Congress

BB:rrj

*Note:
I tried for
years -
I couldn't
get them
Thomas to
th*

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Special



COMMITTEE ON EDUCATION AND LABOR

U.S. HOUSE OF REPRESENTATIVES

2181 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515

February 18, 1992

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(TTY)—(202) 225-3727

Mr. Lawrence W. Rogers
Director
Office of Workers's Compensation Programs
U. S. Department of Labor
200 Constitution Avenue, N.W., Room S3524
Washington, DC 20210

Dear Mr. Rogers:

This is in further reference to the FECA Claim of Ms. Rhonda Rose, Claim No. A13-666629. Ms. Rose again has contacted the Committee by telephone and mail.

In her telephone conversation, Ms. Rose said she sent the enclosed documents to the Committee because the OWCP refuses to accept her "new evidence" which supports her continued disability from her work-related injury for which she had been receiving FECA compensation. Since the FECA gives sole decision-making authority to the Secretary of Labor, I am writing to ask you to review the evidence Ms. Rose has submitted.

Ms. Rose has never sent the Committee copies of the complete texts of the applicable decisions. In order to gain a clearer understanding, we would appreciate receiving a copy of each of the pertinent decisions. Included in the attached documents is permission from Ms. Rose for the Committee to obtain information from her claim file.

It would be helpful in resolving this matter if you would include in your response specific answers to Ms. Rose's repeated assertions, verbal and written, that her benefits have been terminated "illegally" because--

(1) "They [OWCP] terminated my benefits based on a doctor's report that states: 'she should avoid bending and lifting.' All the doctors' reports show I injured my spine on the job from bending and lifting."

(2) "They [OWCP] contradicted their own findings. After paying me total disability from 1982 to 1988, they said [in their

RECEIVED
FEB 20 9 52 AM '92
U.S. DEPT. OF LABOR
DIRECTOR'S OFFICE
WASHINGTON, D.C.

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Fr
Ye
WILLIAM FORD
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December 10, 1991

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202-225-6916

Mr. Lawrence W. Rogers
Director
Office of Workers' Compensation Programs
U. S. Department of Labor
Washington, D.C. 20210

Ref: FECA claim No. A13-666629

Dear Mr. Rogers:

My office received a telephone call from Ms. Wanda Rose, a Federal employee who is having difficulty obtaining a resolution of her claim for Federal Employees' Compensation benefits.

According to Ms. Rose, the OWCP rejected her appeal from an adverse decision, citing her failure to file an appeal in a timely manner. Ms. Rose contends that she did, indeed, file a timely appeal.

As you know, this Committee only becomes involved with cases before the OWCP when there are questions of law or procedure. Therefore, I am writing to ask you to ascertain whether a procedural technicality is being used unfairly or improperly to deny Ms. Rose further consideration of her claim.

Your personal attention to this matter is appreciated.

With kind regards,

Sincerely,

William D. Ford
WILLIAM D. FORD
Chairman

WDF:af

- (206)*
753-9528
- ① *general info*
 - ② *get info*
 - ③ *info*
- Call Joanne Unwood*

Sept
September 3rd
I can be
received at

1990

FOR PUBLICATION
UNITED STATES COURT OF APPEALS
FOR THE NINTH CIRCUIT

RIIONDA J. ROSE,
Plaintiff-Appellant,
v.

UNITED STATES OF AMERICA and
UNITED STATES POSTAL SERVICE,
Defendants-Appellees.

No. 88-15431

D.C. No.
C-86-0828 SAW

OPINION

Appeal from the United States District Court
for the Northern District of California
Stanley A. Weigel, District Judge, Presiding

Argued and Submitted
November 13, 1989—San Francisco, California

Filed June 8, 1990

Before: Richard H. Chambers, Cecil F. Poole and
Charles Wiggins, Circuit Judges.

Opinion by Judge Poole

I have letters
written in my
behalf from
Congressmen
Senators
& The Committee
on Education
& Labor

senators
Barbara Boxer
Patty Murray
Slade Gorton
Robert Matsui

1,000's and
1,000's are
wrongfully
illegally denied
benefits to medical
treatment & compensation

State's
2 years from
injury before
any benefits
or medical
treatment
(typical)

"she was not
notified of her
rights"

"she was not
mailed" the
appropriate
forms to receive
disability

"five separate
forms were not
mailed"
"forms were not
mailed diligently"

case note:

page 2 paragraph 1
contradicts page 4
paragraph 2

FOR BILL CHURCH
& SENATOR

U. S. DEPARTMENT OF LABOR

Employees' Compensation Appeals Board

Send to
U.S. News with
copy of YAO's next
decision
finding Martin in ER

Please note:

See first sentence.

THEN
page 2 paragraph 1
contradicts page 4
paragraph 2

LAST DECISION

The Matter of RHONDA J. ROSE and U.S. POSTAL SERVICE,
POST OFFICE, Petaluma, Calif.

Docket No. 94-1994; Submitted on the Record;
Issued August 20, 1996

DECISION and ORDER

Before GEORGE E. RIVERS, WILLIE T.C. THOMAS,
MICHAEL E. GROOM

Whether the Office of Workers' Compensation Programs properly denied
February 5, 1994 request for reconsideration.

The Office accepted that appellant sustained a muscle strain of the back and legs and a permanent aggravation of her lumbar degenerative disc disease while in the performance of duty in 1981. Effective April 10, 1988, however, the Office terminated benefits on the grounds that the weight of the medical evidence, as represented by the opinion of an impartial medical specialist chosen to resolve a conflict on the issue, established that appellant no longer had residuals of her employment injuries. - wrong - he blamed it on a pre-existing condition.

STRAIN = TEARING of LIGAMENTS & SOFT TISSUE

Appellant also submitted a December 1, 1993 report from Dr. Peter Yiyun O. Yao, an orthopedic surgeon. Dr. Yao briefly related appellant's history and complaints and reported his findings on examination. His assessment was one of chronic pain secondary to a soft-tissue injury strain in her upper thoracolumbar spine and a mild cervical spine strain with no evidence of neurological deficit. He stated: "This strain of her thoracolumbar spine was precipitated by her work, which entails heavy mail sacks. This event occurred in 1981 and obviously the acute injury has passed, and she is showing evidence of a chronic pain problem." Dr. Yao opined that appellant would not be able to resume the type of work that she was doing in 1981, which required frequent repetitive heavy lifting.

Dr. Yao's December 1, 1993 report stated that the physical residuals of appellant's employment injury -- what he called the "acute" injury -- had obviously passed. This tends to support the Office's termination of benefits. His opinion went further, however, and indicated that appellant was showing evidence of a chronic pain problem secondary to a soft-tissue injury strain in her upper thoracolumbar spine. Although this suggests a residual of the acute physical injury, Dr. Yao offered no medical discussion showing how appellant's current chronic pain condition arose as a consequence of the acute physical injury she sustained at work in 1981. Without a well-reasoned opinion explaining the causal relationship, Dr. Yao's December 1, 1993 report does not establish that the Office's termination of benefits was in error. ← He found injured condition did NO

Because appellant's February 5, 1994 request for reconsideration was untimely filed and fails to show clear evidence of error on the part of the Office, the Board finds that the Office properly denied a merit review of appellant's claim.

The March 4, 1994 decision of the Office of Workers' Compensation Programs is affirmed.

Case
to
exist



Established by Congress 1923

THE AMERICAN BATTLE MONUMENTS COMMISSIONCourthouse Plaza II, Suite 500
2300 Clarendon Boulevard
Arlington, VA 22201

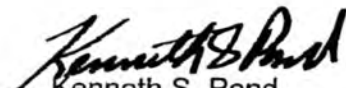
This fax consists of 4 pages.

December 9, 1999

1999 DEC 10 AM 11:03

Ms. Betty W. Currie
Personal Secretary to the President
FAX: 202-456-2883

Attached is a copy of a letter from General Woerner, Chairman of the American Battle Monuments Commission. The original was sent by Federal Express today.

I am the contact officer if you need further information.
Kenneth S. Pond; Tel: 703-696-6907 or 6902
Kenneth S. Pond
Executive Director

Enclosure

CF: Cheryl Macias

12/10/99

Send to Bob Nash?

Yes

☒

No

☐

C



Established by Congress 1923

THE AMERICAN BATTLE MONUMENTS COMMISSION

Courthouse Plaza II, Suite 500
2300 Clarendon Boulevard
Arlington, VA 22201

December 9, 1999

The President
The White House
Washington, DC 20500

Dear Mr. President:

The purpose of this letter is to nominate David M. Childs to fill the vacancy on the American Battle Monument commission created by the death of Alfred S. Los Banos.

Mr. Childs is a respected architect, who previously served as Chairman of the National Capital Planning Commission. His professional credentials and reputation led to his selection as a Fellow of the American Institute of Architects, and inclusion on the distinguished Design jury for the National World War II Memorial competition. A biographical summary is enclosed.

The appointment of Mr. Childs as a Commissioner would greatly benefit this Commission as we work to complete the design and construction of the World War II Memorial. His professional counsel also would provide important insight to our mission of commemorating, through memorial cemeteries and monuments, the service of American armed forces at home and overseas.

I am fully confident that this appointment is in the best interests of the United States of America, your Administration and the American Battle Monuments Commission.

Very respectfully,

A handwritten signature in black ink, which appears to read "Fred F. Woerner".

Fred F. Woerner
General, U.S. Army (Retired)
Chairman

Enclosure

CF: Cheryl Macias

David M. Childs

Date: November 24, 1999

Business Address:

Skidmore, Owings and Merrill, LLP (SOM)
New York Office
14 Wall Street
New York, NY 10005
212-298-9300
212-298-9500(fax)
e-mail: somnewyork@som.com

Home Address:

222 Riverside Drive
New York, NY 10025

Biography:

Born: April 1, 1941 New Jersey

Age: 58

Parents: Father, classics professor at Princeton University; parents divorced with David was 10 years old

Married; grown children

Education: Deerfield Prep School; Yale University

Career: started as an architect after college with Skidmore, Owings, and Merrill - Washington DC; senior design partner at SOM, New York, 1984; chairman of SOM, 1991-;

Partial Architectural Credits:

Past: Bertelsmann Building in Times Square; the Worldwide Plaza development at Eighth Avenue and 50th Street; projects in other countries

New:

Pennsylvania Station (new), New York Stock Exchange (new), Columbus Circle (new), Times Square (new, partial)

WWII Connection:

- David Child's father joined the office of Strategic Services, the precursor to the CIA during WWII.
- Skidmore Owings & Merrill firm designed the defense community of Oak Ridge, Tennessee in the 1940's which is the home of part of the Manhattan (atomic bomb) Project.
- David Childs was member of the Design jury of the National WWII Memorial Project

Giving History/Other Pertinent Information:

Political contributions - \$500. Green for US Senate; \$3,000. Moynihan Committee, Inc
No foundation connections found

Prepared by: rhr

MEMORIALS AND MUSEUMS CONSULTING GROUP

Ms. Diana Balmori, FASLA, Principal, Balmori Associates, Inc.; former Principal for Landscape and Urban Design at Cesar Pelli and Associates

Mr. Joseph E. Brown, FASLA, President, EDAW; former consultant for the Legacy Plan*

→ **Mr. David Childs**, FAIA, Partner, Skidmore Owings & Merrill; former NCPC Chairman; former consultant for the Legacy Plan

Mr. Elliott Carroll, FAIA, former Executive Assistant to the Architect of the Capitol; former member of National Capital Memorial Commission

Mr. Charles Graves, Director, City of Baltimore Planning Department

Mr. Michael Graves, FAIA, Principal, Michael Graves and Associates

Mr. Gary Hack, Dean of the School of Fine Arts, University of Pennsylvania*

Mr. Frederick Hart, sculptor of the *Three Soldiers* for the Vietnam Veterans Memorial; former member of the Commission of Fine Arts

Ms. Delores Hayden, urban historian and architect, Yale University, author of *The Power of Place**

Mr. William Hudnut, Senior Resident Fellow, The Urban Land Institute; former Mayor of Indianapolis, Indiana *

Mr. Roger Lewis, FAIA, Principal, Roger K. Lewis & Associates; Professor of Architecture, University of Maryland; Washington Post columnist

Ms. Elizabeth Meyer, Chairman of the Department of Landscape Architecture, University of Virginia

Mr. William Rees Morrish, Director, Design Center for the American Landscape, University of Minnesota*

Mr. Grover Mouton III, Director of the Center for Regional Design, Tulane University

Mr. Witold Rybczynski, FAIA, Meyerson Professor of Urbanism and Director of the Urban Design Program at the University of Pennsylvania*

Ms. Adele Naude Santos, Principal, Adele Naude Santos and Associates*



Western
Policy
Center
1990 M Street, N.W.
Suite 610
Washington, D.C. 20036
Tel: (202) 530-1425
Fax: (202) 530-4444

FAX COVER SHEET

To: *The Honorable William Jefferson Clinton*
From: *John Stiliadis*

Fax Number: *456-6703*Date: *12-9-99*No. of Pages (including cover): *2***Comments:**

Hand copy to follow

to NSC for reply? 12/9

to coordinate with NSC
yes
no

to Burkhardt for reply?
yes
no *DS.*

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Policy
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1990 M Street, N.W.
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Tel: (202) 530-1425
Fax: (202) 530-4444

December 8, 1999

99 DEC 9 PM 8:16

Ham
Staff
Sec.

The Honorable William Jefferson Clinton
The White House
Washington, D.C. 20504

Dear Mr. President:

On behalf of the Board of Directors of the Western Policy Center, I would like to take this opportunity to extend our heartfelt congratulations upon a most successful visit to Greece and Turkey. I felt uniquely privileged to attend the state dinners in both Ankara and Athens, and followed your visit for three days in Turkey and two days in Greece.

Your public statements and actions in both countries testified to the sincere American concern that U.S. bilateral relations with Greece and Turkey be nurtured, cultivated, and strengthened, to promote genuine stability, security, and economic opportunity in the region. Your determination to encourage the people of Turkey to fully exercise their individual rights, to urge the Turkish government to solve its problems with Greece and work towards full European integration, and to proclaim to the people of Greece that the underpinnings of the U.S.-Greek relationship are strong and filled with greater promise were vital to advancing our regional interests in freedom, democracy, trade, and security.

Greece and Turkey should explore every area of cooperation and establish the needed trust and confidence to resolve their differences in the Aegean, in Cyprus, and on regional and transnational issues. A cohesive U.S. policy based upon the principles you wisely enunciated, if consistently implemented, can be the cornerstone of peace in the eastern Mediterranean. The excellent work of Amb. Nicholas Burns and NSC European Affairs Director Tony Blinken, with whom we worked closely to help ensure the success of your visit, can only enhance your administration's regional objectives.

On a more personal note, your visit with Mrs. Clinton and Chelsea to the Ecumenical Patriarchate of Constantinople delivered a powerful message throughout Turkey and the world of true American support for religious freedom and the dignity of man. It was the right thing to do.

At the Western Policy Center, we are working hard to help forge a constructive agenda for the region. Among our many activities, Sahir Erozan at the American Turkish Council and I hope to bring together Greek, Turkish, and American businessmen at a Washington D.C. venue honored by your presence in early 2000 and look forward to working with your administration towards this end.

Mr. President, the impact of your visit to Greece and Turkey has been profound and, we believe, lasting. On behalf of a most appreciative Board of Directors, led by Angelo Tsakopoulos, I thank you for your energetic leadership and your sincere commitment to peace and stability between Greece and Turkey.

Sincerely,

John Sifilides
Executive Director

THE PRESIDENT HAS SEEN

12-10-99

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Gunmakers, wholesalers are allowing ATF direct access to firearms records

By Gary Fields
USA TODAY

WASHINGTON — Gun manufacturers and wholesalers are giving the federal Bureau of Alcohol, Tobacco and Firearms direct access to gun records so agents can more easily trace guns used in crimes.

At a time when manufacturers are at the center of the legal battle over firearm violence, five of the nation's larger manufacturers and wholesalers have created various computer links that allow the ATF to track weapons directly from manufacturer to retailer. A sixth company, Beretta USA, is creating a link.

"It's about the technology," says Bryan Tucker, president and owner of Davidson's Supplier in Prescott, Ariz., a wholesaler that has made available nearly 1 million records in its system.

Tucker says lawsuits filed by cities against the industry — charging that the industry has not done enough to stem gun violence — have "nothing at all to do with the decision to give ATF computer access."

"It only made more sense to do traces in a more efficient way if it's available."

The practice began in 1996, when H&R 1881 Inc., a gun manufacturer based in Gardner, Mass., established a link for the ATF.

Four others have created similar links, including Davidson's, Smith and Wesson Inc., Taurus, and RSR Group Inc., a wholesaler in Winterpark, Fla.

In addition to Beretta, 10 other manufacturers or wholesalers are expected to give ATF direct access to

their gun serial numbers and trace records within the next year.

ATF Director John Magaw says the links have several advantages, including speed.

ATF agents can begin tracing guns used in crimes as soon as the firearms are found and the serial numbers are identified.

In addition, the computer links relieve companies of the responsibility of running the traces themselves, the director says.

Before the links were created, the ATF would fax a serial number to the manufacturer and ask for a record search. The company would then look through its records and fax back the serial number, a description of the firearm, when it was sold and what wholesaler bought it.

The ATF then had to repeat the process with the wholesaler, the retailer and "on down the line," says Robin Sharpless, senior vice president of H&R.

"The problem is if it happened at 5:30 p.m. on Friday, everyone was gone and nobody would be here until 8 a.m. Monday," Sharpless says.

Now, the ATF has a telephone line and computer link to the serial numbers every hour of every day.

"The fresher the evidence, the quicker you can get on the trail of the bad guy and the better off you are," Sharpless says.

The records that ATF can use are limited by federal law. They include the weapon's serial number, a brief description of the weapon to insure that the serial number hasn't been altered and information on whom it was sold to and when.

The records of wholesalers and

manufacturers do not include the names of individual gun buyers.

"This is not a national registry," Magaw says. "There are no names in the system, and to run a trace it has to be a crime gun. We could not run your name in our system to find out if you have a firearm or not."

Gun rights groups say the system sounds good, but they don't trust the federal authorities.

"The problem is the trust, or lack of, we have in government agencies not to misuse it," says Alan Gottlieb, founder of the Second Amendment Foundation. "By and large, nobody has any real problem with the records," but "we can't jump up and down and say it's a great program, even if it is."

Larry Pratt, executive director of Gun Owners of America, says the history that federal agencies have had on the gun issue makes it difficult to accept that the records won't be stored somehow and used against law-abiding gun owners.

The ATF "is at least as ethically challenged as the FBI," he says. "When they're getting all that information from the manufacturer, that is a registration system, and it's a centralized one."

Gun manufacturers have been embroiled in a legal battle for the past year with at least 23 cities and counties that have filed lawsuits holding manufacturers responsible for gun violence.

Gun rights groups, in turn, have filed lawsuits against the cities claiming that the mayors are conspiring to interfere with interstate commerce and are violating the constitutional rights of the gun-buying public.

Several state legislatures, prodded by gun rights activists, have passed laws to keep even more lawsuits from being filed by cities.

"It's one of the aggravations of the industry that we are, along with hunters and other law-abiding citizens, portrayed in such a negative light," says Gary Mehalik, marketing manager of Taurus, which makes revolvers, pistols, rifles and shotguns.

THE PRESIDENT HAS SEEN
12-10-99

Sandy
What about Tim?

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Berger
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Podesta

Michael Kelly

Kosovo's Killers

"This report makes sobering reading." Thus begins a 300-page document titled "As Seen, As Told, Part II," which was released Monday by the Kosovo mission of the Organization for Security and Cooperation in Europe. True words.

The OSCE report covers human rights violations that occurred in Kosovo in the months following the June 12 entry into Pristina by the forces of KFOR, the 48,000-strong peacekeeping army that moved into Kosovo under the auspices of the United Nations. In other words, it covers what has happened in Kosovo since the forces for good assumed responsibility. The findings are not a surprise but a scandal.

The war in Kosovo was fought to force an end to ethnic cleansing there, and this great goal was partially met. The large-scale and systematic campaign by the Serbs to rid Kosovo of its ethnic Albanians—a campaign detailed in the OSCE report "As Seen, As Told, Part I," also released Monday—was halted. Most of the 1 million displaced ethnic Albanians returned to Kosovo.

But this did not mean an end to ethnic cleansing in Kosovo. It meant the beginning of a new round of violence and terror, this time conducted by the Albanians, against their ethnic Serb, Croatian, Roma and Muslim Slavic neighbors.

From the foreword of the OSCE report: "The human rights violations . . . for the period June-October 1999 include executions, abductions, torture, cruel, inhuman and degrading treatment, arbitrary arrests and attempts to restrict freedom of expression. House burnings, blockades restricting freedom of movement, discriminatory treatment in schools, hospitals, humanitarian aid distribution and other public services based on ethnic background, and forced evictions from housing recall some of the worst practices of Kosovo's recent past."

The OSCE report is an exhaustive catalog of ethnically motivated evil in its various banal forms. A day-by-day chronology of all human rights "events" that occurred between June 12 and Oct. 31 runs to 135 pages of single-space type, covering murders (more than 150), shootings, house burnings, beatings and various other acts of revenge-seeking and terror.

Many of the crimes were committed by free-lancers, and the Kosovo Liberation Army has declared itself against all such acts. But this declaration is perhaps not as convincing as it might be. The report lists many murders and other crimes commit-

ted by men wearing KLA uniforms or badges. It is clear that the violence aimed against non-Albanians in Kosovo is to a real degree directed by elements of the KLA.

It is also clear that the violence is intended not merely to inflict revenge but to purge Kosovo of its non-Albanians. There is much in the patterns of ethnic cleansing that is familiar here: execution-style murders that serve to frighten the target populations into flight; campaigns of house-burnings and beatings and intimidation; the systematic expulsions from jobs and denials of jobs to members of the target populations. At any rate, the effect has been to cleanse Kosovo of almost all but Albanians. Large numbers of Serbs and Roma people have fled Kosovo since June; the Yugoslav Red Cross listed 234,000 refugees in Serbia and Montenegro as of October.

Of course, the ethnic Albanians' cleansing efforts are not to be compared with those of the Serbs in Kosovo in the months and years before June 1999. That, however, is not the important point now. What the Serbs did to the Albanians was a great crime and what the Albanians did in return was a much lesser crime. But they are both crimes, and the latter has occurred, and is still occurring, under what is supposed to be the United Nations' rule of law. This is the point that matters.

In expelling the forces of Slobodan Milosevic from Kosovo, the United States and its allies took it upon themselves, as President Clinton said, "to protect the ethnic Kosovar Albanians and the ethnic Serbs alike." This, to put it mildly, we have failed to do. And this matters tremendously. The perpetuation of ethnic cleansing promises the next round in the Balkan cycle of blood. That this campaign is being waged under U.N. rule does immense damage to the United Nations and to the United States, which are seen by the Serbs and their co-religionists in Russia and Greece as enforcers, not of justice but of victory for one side over the other in wars of ethnicity and faith.

It is therefore surprising that the OSCE report has been met with utter, silent indifference by President Clinton, Secretary of State Albright and all those others, in the media and in the ranks of right-thinking people, who once cared so very, very deeply about suffering in Kosovo. Actually, it is not surprising, is it?

Michael Kelly is the editor in chief of National Journal.

The Washington Post

WEDNESDAY, DECEMBER 8, 1999

LAS VEGAS SUN

800 South Valley View Blvd.
Las Vegas NV, 89107-4411
(702) 385-3111



MIKE O'CALLAGHAN,
EXECUTIVE EDITOR & CHAIRMAN OF THE BOARD

P.O. Box 3904
Las Vegas, NV 89127-3904
FAX: (702) 383-7264

*Through
8700
Sun*

December 9, 1999

Nancy Hernreich
Deputy Assistant to the President
The White House
1600 Pennsylvania Avenue
Washington, DC 20008

'99 DEC 9 PM8:16

Mr. President:

Despite my several decades of public service this is the first time I have made a request of our nation's chief executive.

Because of the support of several great Americans, including our mutual friend the late Barry Goldwater, you are aware of the plight of former Navajo leader Peter MacDonald. Its time for him to return to his people and be released from a federal prison.

I ask you to take time during the Christmas season to meet with Navajo President Kelsey A. Begaye and some of MacDonald's fellow Navajo Code Talker veterans. Please allow them the opportunity to personally tell you about Peter.

Mr. President, your personal attention to this humanitarian act would be deeply appreciated by good people often overlooked in our fast moving, high-tech and urbanized society.

Thank you,

Mike O'Callaghan

Mike O'Callaghan
Executive Editor
Chairman of the Board
Las Vegas Sun

MO/sd

to
Scheduling
✓ yes
-hw

12/9

DS.

**Las Vegas SUN**

Brian L. Greenspun, President
800 South Valley View Blvd., Las Vegas, NV 89107
(702) 259-4003 Phone (702) 259-4143 FAX

Fax

Date: December 9, 1999
To: Nancy Herrnreich
Deputy Assistant to the President
Fax: (202) 456-6703
Pages: two
From: Brian L. Greenspun

Nancy, I am attaching a letter for the President from Mike O'Callaghan who as you may remember is a very close friend of mine, colleague and former two-term governor of Nevada. As far as I know, this may be the first time Mike has ever made a personal plea to any President, even though he has been close and worked with many in the past.

I am certain, regardless of the outcome, that the President will take to heart Mike's message and give it the consideration it is due.

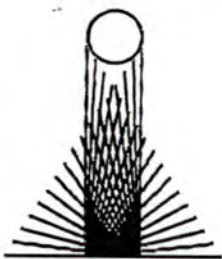
Thank you for your attention to this very important matter.

Mike will be in D.C. this Friday, Dec 10 for meetings at the Pentagon. I have suggested that he contact you on Friday to discuss and provide any additional information needed to expedite this request.

I know you plan to be gone over New Years, but if your plans have changed, Myra and I look forward to seeing you then. I also have in my possession, which I will get to you shortly, some wonderful pictures of you and The Gratest. All the best wishes for a wonderful holiday season and an incredible Y2K.

Your friends,

Myra and Brian

**NOW LEGAL DEFENSE****AND EDUCATION FUND**

119 CONSTITUTION AVENUE, N.E., WASHINGTON, D.C., 20002 (202) 544-4470 FAX (202) 546-8605

'99 DEC 9 PM 3:16

December 9, 1999

The Honorable William J. Clinton
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

to Burkhardt 12/9
for reply?
yes ✓

my
staff security

Dear President Clinton,

On behalf of the more than 2,000 member organizations and individuals of the National Task Force to End Violence Against Women, I wish to thank you for your strong support of level funding for fiscal year 2000 domestic violence and sexual assault prevention programs created under the Violence Against Women Act of 1994 (VAWA '94.) This landmark legislation ends next year and we will be working with a bipartisan Congress to reauthorize it as quickly as possible. In the meantime, as you formulate the federal budget for fiscal year 2001, we request that you include enhanced funding for all of VAWA's programs.

Violence against women continues to be a tremendous problem in this nation. One out of every three American women reports that she has been physically abused by a husband or boyfriend at some point in her life. One out of every six women has been the victim of a rape or attempted rape in her lifetime. Fifty percent of all homeless women and children are fleeing domestic violence. VAWA '94 made an important difference in the lives of women and children by increasing funds for shelters, sexual assault crisis centers, a National Domestic Violence Hotline, programs to assist underserved populations, and numerous other initiatives to eradicate violence against women. However, our work has only just begun. Shelters, rape crisis centers, and legal services organizations continue to operate over-capacity and with limited funds, and are frequently forced to turn away women and children in need.

Title I of the new Violence Against Women Act of 1999 (H.R. 357) and the stand-alone VAWA Reauthorization Bill (H.R. 1248) address this need by authorizing funding for VAWA '94 programs and services for five more years at enhanced levels and with expanded programs. H.R. 357 further contains new programs that expand the legacy that VAWA '94 created. The Task Force supports the funding levels and new programs in these bills and requests that you incorporate these numbers and programs into your budget request as well. While we recognize that neither of these bills have passed during this legislative session, we are confident that the VAWA Reauthorization bill will reach your desk before summer and we are hopeful that various components of H.R. 357 will be passed as well.

The Task Force requests across the board spending increases for domestic violence and sexual assault programs. First, we urge you to increase funding for domestic violence shelters and services administered by HHS under the Family Violence Prevention and Services Act programs (FVPSA) to **\$160 million**.

Second, we ask that the National Domestic Violence Hotline receive **\$2 million** in funding. Congress increased funding for the Hotline to this level for FY 2000 and we need this to remain constant. Third, we request that funding for rape prevention and education be increased to **\$105 million**. Rape crisis centers and sexual assault programs throughout the nation use this critical funding to conduct education and prevention programs in schools as well as community outreach about sexual assault prevention and services.

Furthermore, several grant programs authorized under VAWA '94 have been vital to improving police, court, and community responses to violence directed at women. We ask that you support funding for Grants to Combat Violence Against Women (STOP Grants) in the amount of **\$185 million** and request **\$35 million** to address the specialized needs of rural communities, **\$67 million** for Grants to Encourage Arrest Policies, **\$22 million** for runaway youth prevention programs, **\$15.3 million** for Child Abuse programs (including training for Child Abuse Special Advocates), **\$9 million** for Community Initiatives programs, **\$2 million** for state and federal judicial training, **\$3 million** to create a National Stalker Database, and **\$1 million** in funding for programs to train federal victim/witness counselors on violence against women issues.

Funding for future violence against women programs is requested under VAWA '99 (H.R. 357) and we encourage you to include these monies in your budget, pending the passage of this bill. These funding allotments include **\$30 million** to create a stronger legal services program that will make it possible for women and their children to obtain safety and security for themselves, **\$92 million** for programs that address the safety, educational, and emotional needs of children and teenagers experiencing violence at home and in their dating relationships, **\$10.5 million** for initiatives to combat violence against women in the workplace, **\$30 million** to combat violence against older and disabled women, **\$10 million** to promote the implementation of full faith and credit requirements for restraining orders across state lines, and **\$14.2 million** for research on violence against women.

Thank you again for your support in the past for domestic violence and sexual assault prevention programs. Due in large part to your leadership on these issues, communities all across the nation have put in place law enforcement, intervention, support, and advocacy services that are desperately needed by women, men, and children. We look forward to your continued support on these issues in the upcoming budget process.

Sincerely,



Pat Reuss

Chair, National Task Force to End Violence Against Women
Senior Policy Analyst, NOW Legal Defense and Education Fund

cc: John Podesta, Chief of Staff
Stephen Ricchetti, Assistant to the President and Deputy Chief of Staff
Ann Lewis, Counselor to the President
Mary Smith, White House Domestic Policy Office
Jack Lew, Director, OMB
Sylvia Matthews, Deputy Director, OMB
Lauren Supina, Deputy Assistant to the President, Director of Women's Initiatives and Outreach
Audrey Humes, Office of Mrs. Gore
Secretary Donna Shalala, U.S. Department of Health and Human Services
Attorney General Janet Reno, U.S. Department of Justice



*Noted
or covered*

99 DEC 10 AM 9:31

Archbishop Sakoras

Christmas, 1999

Dear Mr. President;

Christ is born, glorify Him!

Christ is come from Heaven: receive Him!

Christ is on earth: be exalted!

This year, when we observe the 2,000th anniversary of the Birth of Jesus Christ, I joyfully join with you in celebration of a more meaningful Christmas.

I pray, together with you Mr. President, that our nation will receive the Angelic message heralded on the first Holy Night of the Nativity with all its splendor and that all hearts in America and abroad will be aflamed with the biblical expectation of a new Millennium in which Christ's love, justice and peace may prevail.

May you, our beloved First Lady and Chelsea receive the love of the Holy Infant now and forever more!

Prayerfully yours,

Archbishop Sakoras

12-10-99

President William Jefferson Clinton
The White House
Washington, DC 20500

Send to Berkhardt -

Yes ☒
No ☐



President William Jefferson Clinton
The White House
Washington, DC 20500



12-10-99

THE SECRETARY OF STATE
WASHINGTON

December 6, 1999

UNCLASSIFIED

MEMORANDUM FOR THE PRESIDENT

FROM: Madeleine K. Albright *mkA*

SUBJECT: The International Visitors Program and its
Distinguished Alumni

*Sincerely
unpublished**copied
Berger
DSC WW
Desk
Podesta*

I thought you might like to see some of the impressive results of our International Visitors (IV) Program. The program, which identifies men and women with leadership potential and brings them to the United States for tailored programs, has among its alumni 188 individuals who went on to be world leaders. Thirty-eight are current presidents and prime ministers, including Tony Blair, Suleyman Demirel, Leonid Kuchma, Kjell Magne Bondevik and Lionel Jospin.

In the new Indonesian government, President Wahid and Vice President Megawati Soekarnoputri were both IVs. In fact, the Vice President met you in 1992 when she was here to observe the elections. Other IV participants include the Chair of the People's Consultative Assembly, the Minister of Defense and the Attorney General.

In some countries, the IV alumni list is a veritable who's who of the late 20th century: Germany's roster includes Gerhard Schroeder, Richard Von Weizsacker, Karl Carstens, Willy Brandt and Helmut Schmidt.

When Tony Blair visited in 1986 (as a Member of Parliament), he examined re-training for laid-off workers in West Virginia, visited a family farm in Kansas, and studied state politics in California and Colorado. It seems he has always had his talent for making friends. At the bottom of the department of State's file copy of the Denver itinerary for The Honorable Anthony Blair, an anonymous program officer scrawled "'Tony' was terrific -- everyone liked him."

The International Visitor Program is a solid investment in the future. If we have done our job well, among the

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- 2 -

participants in the FY-2000 International Visitor Program are the world leaders of 2015.

Attachment:

Heads of Government and Chiefs of State who are
International Visitor Program Alumni

UNCLASSIFIED



United States Department of State

Washington, D.C. 20520

Hheads of Government and Chiefs of State

Who Are International Visitor Program Alumni One Hundred Eighty-Eight (188)

Africa

BENIN	President Nicephore Soglo (1997)
BOTSWANA	President FESTUS G. MOGAE (1976) President Quett K.J. Masire (1975)
CENTRAL AFRICAN REPUBLIC	President Andre-Dieudonne Kolingba (1966)
IVORY COAST	Prime Minister DANIEL KABLAN DUNCAN (1974)
KENYA	President DANIEL T. ARAP MOI (1969)
KINGDOM OF LESOTHO	H.M. Queen Mamahato Seeiso (1985)
MADAGASCAR	President DIDIER RATSIRAKA (1973) President Philibert Tsiranana (1964) Chief of State Major General Ramanantsoa (1964) President of the Military Directorate General Gilles Andriamahazo (1973)
MALAWI	President BAKILI EMULUZI (1980)
MALI	President ALPHA OUMAR KONARE (1978)
MAURITIUS	Prime Minister NAVIN RAMGOOLAM (1986) Prime Minister Sir Anerood Jugnauth (1981) Governor General Sir Veerasamy Ringadoo (1982) Governor General Dayendranath Burrenchobay (1969)
MOZAMBIQUE	Prime Minister, DR PASCOAL MOCUMBI (1986)
NIGER	Prime Minister Amadou Hama (1986)
RWANDA	Prime Minister Sylvestre Nsanzimana (1986)

*Officials Currently in Office: Names in **Bold** and **CAPITAL** Letters
Parentheses: Year of Participation as an International Visitor
November 1999*

REPUBLIC OF SOUTH AFRICA	President Frederik W. de Klerk (1976)
SEYCHELLES	President FRANCE ALBERT RENE (1967)
SWAZILAND	Prime Minister Obed Mfanyana Dlamini (1980)
TANZANIA	President Julius K. Nyerere (1960)
TOGO	Prime Minister Edem Kodjo (1972) Prime Minister Joseph Kokou Koffigoh (1990)
ZAMBIA	Prime Minister Kebby S.K. Musokotwane (1979)

East Asia & Pacific

AUSTRALIA	Governor General William Hayden (1970) Prime Minister Paul Keating (1977) Prime Minister J. Malcolm Fraser (1964) Prime Minister Gough Whitlam (1964)
FEDERATED STATES OF MICRONESIA	President Tosiwo Nakayama (1961)
FIJI	Acting President Kamisese Mara (1964) President Ratu Sir Penaia Ganilau (1963) Governor General Ratu Sir George Cakabau (1964)
INDONESIA	President ABDURRAHMAN WAHID (1979)
JAPAN	Prime Minister Toshiki Kaifu (1962)
KOREA	President KIM DAE-JUNG (1965) President Kim Yong-Sam (1964) Prime Minister Lee Yung-Duk (1966) Prime Minister Kim Sang-Hyup (1960/1970) Prime Minister Duck-Woo (1975) Prime Minister Chung Il-Kwon (1971) Prime Minister Lee Han-Key (1972) Prime Minister Choi Doo-Sun (1950)
MALAYSIA	Prime Minister DR. MAHATHIR BIN MOHAMAD (1973) Prime Minister Tun Haji Abdul Razak Bin Mohamad Hussain (1953/1963)

NEW ZEALAND	Prime Minister Jenny Shipley (1989) Prime Minister David Lange (1983) Prime Minister Norman Kirk (1962/1971) Prime Minister Robert D. Muldoon (1965) Prime Minister Sir Wallace E. Rowling (1967) Prime Minister Sir John R. Marshall (1958)
PAPUA NEW GUINEA	Governor General Dr. Sir Ignatius Kilage (1976) Prime Minister Michael Somare (1971)
REPUBLIC OF PALAU	President Lazarus Salii (1968)
SINGAPORE	President Wee Kim Wee (1964) President Devan Nair (1979)
THAILAND	Prime Minister Chuan Likphai (1971)
TONGA	King TAUFA'AHAU TUPOU IV (1964) Prime Minister Prince Fatafehi Tu'ipelehake (1968)
VANUATU	Prime Minister Father Walter Lini (1976)

Europe

AUSTRIA	Chancellor Dr. Franz Vranitzky (1975) Chancellor Dr. Bruno Kreisky (1958) Chancellor Dr. Fred Sinowatz (1965)
BELGIUM	Prime Minister Wilfried Martens (1971) Prime Minister Leo Tindemans (1967) Prime Minister Mark Eyskens (1984)
BULGARIA	Prime Minister Jan Videnov (1992) Prime Minister Philip Dimitrov (1990)
DENMARK	Prime Minister POUL NYRUP RASMUSSEN (1985)
FEDERAL REPUBLIC OF GERMANY	Chancellor GERHARD SCHROEDER (1981) President Richard Von Weizsacker (1978) President Walter Scheel (1951) President Karl Carstens (1950) Chancellor Kurt-Georg Kiesinger (1954) Chancellor Willy Brandt (1954) Chancellor Helmut Schmidt (1956)

FINLAND	Prime Minister PAAVO LIPPONEN (1974) Prime Minister Esko Aho (1979) Prime Minister Harri Holkeri (1970)
FRANCE	Prime Minister LIONEL JOSPIN (1977) Prime Minister Alain Juppe (1978) Prime Minister Pierre Berezgouvoy (1977) President Valery Giscard D'Estaing (1956)
GREECE	Prime Minister Constatine Mitsotakis (1959) President Constantine Karamanlis (1951) President Constantine Tsatsos (1952) Prime Minister George Rallis (1953/1958)
HUNGARY	Prime Minister Gyula Horn (1981) Prime Minister Jozsef Antall (1989)
ICELAND	Prime Minister DAVID ODDSSON (1983) Prime Minister Thorsteinn Pálsson (1984) President Kristjan Eldjarn (1957)
IRELAND	President Mary Robinson (1976) Prime Minister John Bruton (1980)
ITALY	President OSCAR LUIGI SCALFARO (1960) President Francesco Cossiga (1966) President Giuseppe Saragat (1963) Prime Minister Romano Prodi (1979) Prime Minister Giovanni Goria (1981) Prime Minister Giovanni Spadolini (1952) Prime Minister Arnaldo Forlani (1960)
LUXEMBOURG	Prime Minister Jacques Santer (1973)
MALTA	President DR. UGO MIFSUD BONNICI (1971) Prime Minister Edward Fenech Adami (1974) Prime Minister Dominic Mintoff (1965)
MOLDOVA	President PETRU LUCINSCHI (1995)
THE NETHERLANDS	Prime Minister WILLEM KOK (1978) Prime Minister Joop Den Uyl (1979, 1953)
NORWAY	Prime Minister KJELL MAGNE BONDEVIK (1971) Prime Minister Jan P. Syse (1978)

	Prime Minister Kare Willoch (1979)
POLAND	Prime Minister Hanna Suchocka (1988) Prime Minister Mieczyslaw Rakowski (1978)
PORTUGAL	President JORGE SAMPAIO (1965) President Mario Alberto Soares (1976) Prime Minister ANTONIO GUTERRAS (1978) Prime Minister Anibal Cavaco Silva (1978) Prime Minister Francisco Pinto Balsemao (1965)
ROMANIA	Prime Minister Victor Ciorbea (1995)
SLOVENIA	Prime Minister Dr. JANEZ DRNOVSEK (1988)
SWEDEN	Prime Minister Carl Bildt (1973)
Turkey	President SULEYMAN DEMIREL (1957)
UKRAINE	President LEONID KUCHMA (1994) President Leonid Kravchuk
UNITED KINGDOM	Prime Minister ANTHONY C.L. BLAIR (1992, 1986) Prime Minister Margaret Thatcher (1967) Prime Minister Edward R. G. Heath (1953)

North Africa, Near East and South Asia

BANGLADESH	Prime Minister Sheikh Mujibur Rahman (1952)
EGYPT	President Anwar Sadat (1966) Prime Minister Admad Fuad Muhi al-din (1977)
INDIA	President KOCHERIL RAMAN NARAYANAN (1969) Prime Minister Atal Bahari Vajpayee (year unknown) Prime Minister Indira Gandhi (1961) Prime Minister Morarji Desai (1962)
JORDAN	Prime Minister Abd-Al-Salm Al-M ajali (1969)
LEBANON	President Amin Gemayel (1972/1979) President Elias Sarkis (1971)

MOROCCO	Prime Minister Dr. Azzedine Laraki (1986) Prime Minister Maati Bouabid (1961/1965)
NEPAL	Prime Minister Sher Bahadur Deuba (19)
PAKISTAN	President Ghulam Ishaq Khan (1949)
SRI LANKA	President Ranasinghe Premadasa (1966)
TUNISIA	Prime Minister Mohamed Mzali (1964)

Western Hemisphere

ARGENTINA	President Elect FERNANDO DE LA RUA (1966) President Raul Alfonsin (1981)
BARBADOS	Prime Minister Owen Arthur (1988) Prime Minister Lloyd Erskine Sandiford (1975) Prime Minister Tom Adams (1973)
BRAZIL	President Jose Sarney Costa (1964)
CANADA	Governor General Edward R. Schreyer (1978)
COLOMBIA	President Ernesto Samper Prizano (1985) President Cesar Gaviria Trujillo (1982) President Belisario Betancur (1952) President Julio Cesar Trubay-Ayala (1977)
COSTA RICA	President Oscar Arias Sanchez (1971)
DOMINICA	Prime Minister (Mary) Eugenia Charles (1984) Prime Minister Patrick John (1977)
DOMINICAN REPUBLIC	President Salvador Jorge Blanco (1979)
ECUADOR	President JAMIL MAHUAD (1985) President Rosalia Arteaga (1993) President Rodrigo Borja (1962)
EL SALVADOR	President ARMANDO CALDERON SOL (1986) President Alfredo Christiani (1986)

GRENADA	Governor General Sir Paul Scoon (1972)
GUYANA	Prime Minister Hamilton Green (1967) Prime Minister Ptolmey Reid (1966)
GUATEMALA	President ALVARO ARZU YRIGOYEN (1982) President Licenciado Ramiro De Leon Carpio (1988)
HAITI	President Ertha Pascal Trouillot (1980) President Lesly F. Manigat (1959)
HONDURAS	President Dr. Carlos Roberto Reina (1993) President Rafael Leonardo Callejas (1986) President Jose Simeon Azcona del Hoyo (1985)
JAMAICA	Governor General HOWARD COOKE (1981)
ST. KITTS/NEVIS	Prime Minister DENZIL DOUGLAS (1990) Premier Simeon Daniel (1980) Prime Minister Lee Moore (1972)
ST. VINCENT	Prime Minister James Fitzallen Mitchell (1973)
SURINAME	President Ronald R. Venetiaan (1981) President Ramsewak Shankar (1978)
TRINIDAD & TOBAGO	Prime Minister BASDEO PANDAY (1984) Prime Minister Patrick Manning (1988)
URUGUAY	President JULIO MARIA SANGUINETTI (1983) President Luis Alberto LaCalle (1968)
VENEZUELA	President Dr. Rafael Caldera (1962) President Dr. Luis Herrera Campins (1967)



Parent/Summary
Isolation
get him
divided
by the - B.C.

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF NATIONAL DRUG CONTROL POLICY
Washington, D.C. 20503

Person

99 DEC 8 AM 11:22

December 7, 1999

THE PRESIDENT HAS SEEN
12-9-99

Dear Mr. President:

This letter is to alert you to an expansion in Colombian cocaine production that we believe may translate into greatly increased amounts of cocaine being shipped to the United States within the next year. In the past, increased cocaine availability has lowered prices and initiated a cycle of increased drug use and an upsurge in crime and violence. This surge in cocaine production is a serious threat to the national security of the United States that also undermines Colombian democracy and regional stability.

New data, though not yet fully evaluated, indicates that previous estimates of Colombian cocaine production potential have been understated for the last few years. Prior presumptions about the potency of Colombian coca, the time required for crop maturity, and efficiency in the cocaine conversion process were probably all too optimistic. This resulted in incorrect conclusions about how much cocaine has been produced in the last few years and how much can be manufactured now and in the future. Further complicating the issue, guerrilla or paramilitary control of vast coca growing regions has greatly handicapped President Pastrana's ability to reduce production or enforce Colombian national law.

Your commitment to seeking supplemental funding when the Congress reconvenes in January to support President Pastrana's "Plan Colombia" and other counterdrug efforts in the Andean Region has been crucial. The interagency evaluation of the Andean drug crisis led by Under Secretary Pickering estimated that a serious effort in this area will require \$652 million in emergency supplemental funding in Fiscal Year 2000 -- and as much as an additional \$800 million in the Fiscal Year 2001 budget. I have asked that the key Principals meet to identify the resources required to support Andean counter-drug efforts.

Greater quantities of cocaine and heroin flowing to the United States threaten the hard-fought gains we have achieved during the last several years -- both at home and in the region. If we do not act decisively, we must face the real possibility that there will be a resurgence in US drug use and addiction and drug-related crime and violence.

Would like to meet personally with you at your convenience to outline recommendations for the road ahead and to obtain your guidance.

Very respectfully,

Barry R. McCaffrey
Director

copied
COS
Berger
street

The Honorable William J. Clinton
President of the United States
The White House
Washington, DC 20500

THE PRESIDENT HAS SEEN

EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON, D.C. 20502

December 9, 1999

'99 DEC 9 PM 8:17

MEMORANDUM FOR THE PRESIDENT

FROM: KATHRYN L. SHAW

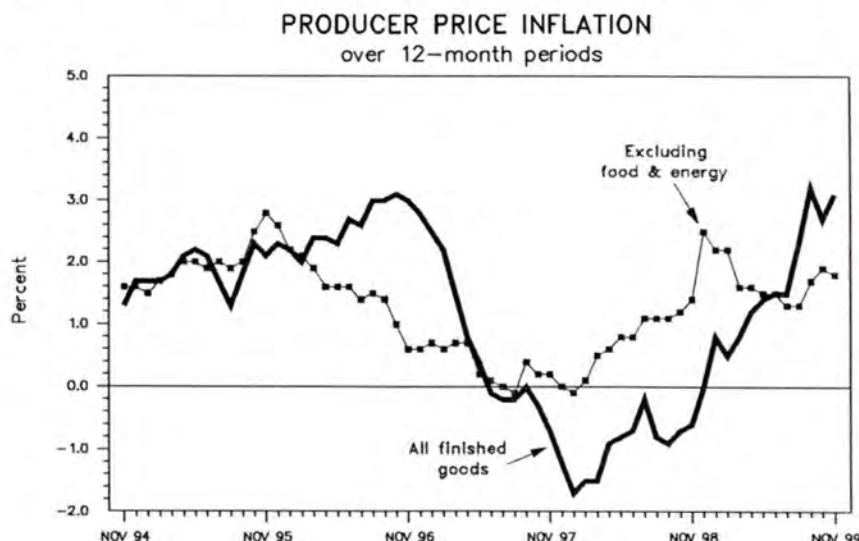
SUBJECT: Producer Price Indexes for November, Labor Department Release, Friday, 8:30 a.m.

The producer price index for finished goods rose 0.2 percent in November, in line with market expectations. Over the past 12 months, prices for finished goods have increased 3.1 percent. During the year-earlier period these prices fell 0.6 percent. All of the acceleration was accounted for by energy prices and tobacco prices.

- Energy prices rose 1.4 percent in November offsetting the October decline. Over the past 12 months energy prices have risen 15 percent after falling 11 percent in the year-earlier period. Gasoline prices were little changed last month but more recent weekly data suggest another increase in December. Except for gasoline, most energy components posted sizeable increases in November.
- Food prices rose 0.1 percent in November and have risen 0.4 percent over the last 12 months.

The core PPI (finished goods less food and energy) was unchanged in November; while markets had predicted a slight increase. Over the last 12 months core PPI has increased 1.8 percent, a slight acceleration from the 1.4 percent increase over the previous 12 months. However, more than all of this acceleration is due to a large increase in tobacco prices. Excluding tobacco, the core PPI has increased only 0.4 percent over the last 12 months.

Excluding energy and tobacco, inflation of domestically produced finished goods remains low and stable. However, a notable acceleration of prices has occurred at the earliest stage of processing as prices of core crude (such as raw cotton and iron ore) have increased almost 10 percent over the past 12 months after falling 16 percent during the year-earlier period.



copied
Shaw
Podesta

THE PRESIDENT HAS SEEN
12-10-99

copied
Podesta

Podesta

Before I send
this, what's the
deal here? Why
are we still fighting
after 2 losses -
looks bad - I don't
want to send anything
offensive / wrong

BK

Johnson/H
12/6
cleared by [unclear]
Committee Office
w/ [unclear] 12/9

WHITE HOUSE
WASHINGTON

Mrs. Lady Bird Johnson
LBJ Ranch
Stonewall, Texas 78671

Dear Lady Bird:

Thank you so much for your letter. I share your deep appreciation and regard for the Secret Service -- its unwavering commitment to my safety and to that of my family has meant more to me than I can say. I appreciate your concerns, though as I'm sure you understand, my ability to involve myself in pending litigation is very limited.

It was good to hear from you, and I hope that you are well. Hillary and I send our best wishes for a wonderful holiday season.

Sincerely,

11-22-99



11/23
Jag
1/20

Send to Burkhardt for reply?

Yes ☒

No ☐

NOVEMBER 3, 1999

CA 4 Ranch

Stonewall, Texas

DEAR MR. PRESIDENT:

'99 NOV 22 PM5:08

I AM WRITING ON BEHALF OF 500-PLUS RETIRED SECRET SERVICE AGENTS AND THOSE ACTIVE DUTY AGENTS WHO BEGAN WORKING FOR THE SECRET SERVICE PRIOR TO 1984. THEY HAVE ASKED FOR MY HELP IN TRYING TO RESOLVE A DISPUTE WITH THE TREASURY DEPARTMENT THAT HAS BEEN ON-GOING SINCE DECEMBER OF 1995.

MY UNDERSTANDING OF THE SITUATION IS THAT THE AGENTS FILED SUIT IN U.S. DISTRICT COURT IN WASHINGTON, D. C. AFTER TREASURY REFUSED TO MAKE THE REQUIRED ADJUSTMENT IN THE RETIRED AGENTS' ANNUITIES FOLLOWING A PAY INCREASE RECEIVED BY ACTIVE DUTY AGENTS IN 1994. SINCE THAT TIME, U.S. DISTRICT JUDGE STANLEY SPORKIN HAS ISSUED TWO SUMMARY JUDGMENT RULINGS IN FAVOR OF THE RETIRED AGENTS. TREASURY HAS APPEALED THESE RULINGS ON ONE OCCASION AND HAS INDICATED THAT THEY INTEND TO AGAIN APPEAL THE RULING.

MR. PRESIDENT, AGENTS OF THE UNITED STATES SECRET SERVICE HAVE FAITHFULLY SERVED MY HUSBAND AND MYSELF FOR MANY YEARS. THOSE OF US WHO HAVE BEEN FORTUNATE ENOUGH TO OCCUPY THE WHITE HOUSE HAVE BENEFITED GREATLY FROM THE LOYALTY AND DEDICATION OF THESE AGENTS. IT IS MY HOPE THAT THIS MATTER WILL BE RESOLVED AT AN EARLY TIME IN FAVOR OF

**THE MANY OUTSTANDING AGENTS WHO HAVE SERVED THE
INTERESTS OF OUR COUNTRY SO ABLY, FAITHFULLY AND
COURAGEOUSLY. I BELIEVE THEM HIGHLY DESERVING OF THE SAME
LOYALTY FROM THE GOVERNMENT THAT THEY HAVE EXHIBITED
THROUGHOUT THEIR CAREERS.**

WITH MY APPRECIATION FOR YOUR ATTENTION,

A handwritten signature in cursive script, reading "Lady Bird Johnson". The signature is written in black ink and is positioned below the typed text "WITH MY APPRECIATION FOR YOUR ATTENTION,".

**THE HONORABLE WILLIAM JEFFERSON CLINTON
THE WHITE HOUSE
WASHINGTON, D. C. 20500**

**CC: TREASURY SECRETARY LAWRENCE SUMMERS
ATTORNEY GENERAL JANET RENO
SOLICITOR GENERAL SETH WAXMAN**

cc: WASH
Can we do
anything?
Be

WHITE HOUSE
WASHINGTON

cc: red
Nash

The Honorable Christopher Ashby
U.S. Embassy Montevideo
APO AA 34035

Dear Kit:

Thanks for your letter. I'm glad you shared your perspectives on the Nuclear Test Ban Treaty -- and I wish I'd seen the article you mentioned. Sounds like it was on target.

Keep me posted on what's happening with your personnel search, and I'm sure Bob will, too.

Those headlines were great. I think you're right about the future. We'll likely be just as impressed with the progress of the next 10 years.

See you soon!

Sincerely,

Bob

EB

Ambassador Christopher Ashby
US Embassy Montevideo
APO AA 34035

President Bill Clinton
The White House
1600 Pennsylvania Ave. NW
Washington, D.C. 20500-2000
November 15, 1999

Dear Bill

There was a very interesting editorial in a recent Economist criticizing the Senate vote on the NTBT. It argued that those against the treaty are not isolationists, they are unilateralists. I think they have a point. Even those like Senator Helms who doesn't like treaties or foreign relationships, is most concerned with limiting the freedom of action of the US. I once recommended a book to you, Between Two Worlds by David Callahan. After reading it I constructed a matrix with two axes; one is isolationist-internationalist, and the other was realist-idealist. Realists-internationalists talk about "it's a dangerous world out there," and basically feel that it is the nature of man to be aggressively acquisitive and territorial defensive. They feel that international politics will reflect those qualities of human nature. Idealists believe that nations learn faster than individuals, and that policies should reflect that change. As long as one believes that peace is the period between conflicts, then unilateralism is a logical position. It is a basic part of realist philosophy.

Thanks very much for asking Bob Nash to help find a position for me in the White House for the last half-year of your administration. He is a nice guy, and he is trying to help. He said that Presidential Counselor positions might be a possibility, so he is investigating.

We just finished our annual Latin American Chief of Missions conference. As always, it was great mental gymnastics. I have attached a list of headlines from 1989, mostly about Latin America. Things have progressed dramatically, somewhat unnoticed by the public. If the FTAA comes to pass, the progress over the next 10 years will be just as dramatic. It is interesting that three years ago, we were pushing Latin American governments to open up their markets and accelerate free trade. In turn, those governments were pushing their private sectors in the same direction. Today, Latin American private sectors, with the exception of Brazil, are pushing their governments, who are in turn pushing us. The conference in Toronto went well, even though USTR thinks the FTAA is dead for the foreseeable future. Nothing like the power of an idea whose time has come.

I gather Hillary's Senate efforts are going pretty well. It will be tight, but I think she has a good chance. I continue to predict that George Bush will blow up, before or after the nomination. There is nothing there.

I trust things will continue to go well for you. I think having Bradley competing with Gore is a blessing for Democrats. The race has attracted attention a sole candidate would not have, and it is highlighting the Democratic agenda that plays well with the public.

Best Regards
Kit

FEBRUARY	Paraguay's Stroessner Ousted in Military Coup, 34-year Rule Ends
MARCH	Venezuelans Killed in Riots over Price Increases; Unrest Tied to IMF Adjustment Program U.S. Finds '88 World Drug Output Up
APRIL	Gorbachev Visits Cuba, Soviet Leader Given Warm Welcome World Bank Endorses U.S. Debt-Reduction Plan
AUGUST	Colombian Candidate Murdered by Drug Cartel, Assassination Prompts Wide Crackdown Brazil Stock Fraud Scandal Widens
SEPTEMBER	Hurricane Hugo Devastates Caribbean
NOVEMBER	East Germany Opens Borders, Including Berlin Wall; Government Resigns, Politburo Purged Amid Protests; Refugees Flood West Germany Priests' Murders (in El Salvador) Draw Condemnation
DECEMBER:	Chilean Opposition Leader Wins Presidential Election; Aylwin Gains Outright Majority Central American Presidents Reach Peace Accord; Focus Is on El Salvador, Nicaragua U.S. Forces Invade Panama, Seize Wide Control; Noriega Eludes Capture; New Government Sworn

The Honorable Christopher Ashby
U.S. Embassy Montevideo
APO AA 34035

THE PRESIDENT HAS SEEN

12-10-99

Back to US

copied

WSC

Podesta

BACKGROUND AND POINTS FOR PRIME MINISTER OBUCHI

Background

We need Japan=s support for a meaningful result in four key areas B agriculture, labor and transparency, dumping and accelerated tariff liberalization..

Japan has shown little flexibility on agriculture. They have allied themselves closely with the Europeans in limiting the scope of negotiations, asserting special consideration must be made for the unique Amulti-functionality@ (e.g. preserving valued rural way of life) of the agriculture sector, and to redress what Japan perceives as an imbalanced Uruguay Round agricultural agreement.

On transparency, Japan (chair of the Dispute Settlement Committee) has been among the few to support the U.S. on making briefs public and early release of panel reports. However, they continue to resist formalizing the amicus briefs process and opening dispute settlement proceedings to the public.

As you know, Japan has been pressing to reopen the Antidumping Agreement in order to weaken the rules to benefit its exporters. Japan has been working with the EU and a number of developing countries to get agreement on negotiations. The United States has made clear that we cannot accept any negotiations on antidumping and that, instead, Member countries should focus on full implementation of the existing Agreement, which will benefit our exporters facing antidumping proceedings abroad. In that context, we could support enhanced implementation work within the existing Committee on Anti-Dumping. Note that Japan has recently requested WTO consultations concerning the U.S. antidumping case against Japanese hot-rolled steel, claiming that we have not complied with the WTO Antidumping rules.

On ATL, the APEC countries agreed in September to bring their proposal on eliminating or harmonizing tariffs in eight industrial sectors (forest products, fish, chemicals, gems/jewelry, environmental products, energy products, toys, medical/scientific equipment). We have agreed that ATL would be concluded on a provisional basis, with final binding included as part of the package comprising the Round=s market access negotiations. Japan is resisting agreement on this proposal as part of its effort to continue protecting its fish and forest products sectors. The United States has made it clear that our support for comprehensive market access negotiations is directly linked to agreement on ATL.

On competition, Japan=s support for negotiations is waning. In investment, Japan=s interest in negotiations remains stronger, although they are willing to at least consider our compromise proposal of extending the existing working group for further analytical work. As you know, we believe that both competition and investment are Aunripe@ for negotiation, and will delay conclusion of the Round.

Revised Antidumping Points for Call to Prime Minister Obuchi

- **Know you are concerned about antidumping. Matter of national importance to the United States. Preserving strength of unfair trade rules essential to maintaining support for free trade. As you know, steel surge from Japan last year risked protectionist backlash in U.S.**
- **I have fought hard to keep U.S. market open, and against those who sought to impose steel quotas. I continue to resist calls in Congress to make our dumping laws worse. Have worked hard to ensure WTO consistent response. United States absorbed more imports than any other nation during the financial crisis.**
- **Reopening antidumping negotiations in the new WTO round will unleash powerful protectionist forces, and strengthen the hand of those pressing forward with legislation to change our antidumping laws in ways you and I would oppose. Moreover, Japan's insistence on opening negotiations on antidumping in the WTO will create enormous problems for our bilateral relationship.**
- **We are prepared to address any concerns Japan or other countries have with compliance with existing dumping rules through existing WTO structures such as the WTO Antidumping Committee without weakening the current agreement.**
- **(If raised) We do not agree we are isolated on this issue, and believe strongly any concerns with implementation can be addressed through existing WTO mechanisms. We are prepared to work intensively to do this.**

Podesta
Fyl RL

THE PRESIDENT HAS SEEN
12-10-99

THE WHITE HOUSE

MR. PRESIDENT —

SEN. THURMAN CALLED DURING GOLF ---
HE ASKED ME TO PASS ALONG THE FOLLOWING:

SR 200, BIO-TECHNOLOGY ACT, WAS PASSED
PRIOR TO ADJOURNMENT. IT DESIGNATES
JANUARY AS BIO-TECHNOLOGY MONTH. HE
CALLED TO ASK FOR YOUR SUPPORT IN SIGNING
IT.

copied
Podesta

v/r. Mike Liddy

12-10-99
THE PRESIDENT HAS SEEN

12-10-99

12-10-99
- 12-10-99
- cc NASH - should consider
for physical fitness
center.

May 24, 1999

Dear Mr. President,

Thank you for providing me with the opportunity to live the American Dream. This week I celebrate my ten year anniversary of living in Washington DC. In those ten years your administration has provided me with an environment that offers opportunity. I took that opportunity to succeed in bettering thousands of peoples lives in different facets of their lives.

My profession is in physical fitness and I began as a personal trainer. In 1993 I opened my first personal training studio in Northwest Washington. I currently own Results The Gym on U Street, which services 3000 active members and employs 65 people. This business has afforded me the opportunity to give back to my community in ways that fulfill me and complete me. Not only do we assist thousands of members in living happier healthier lives, but we reach out to the community as well. The staff at Results the Gym eagerly participates in annual activities such as food drives and clothing drives. Harold Sanco, our Director of Aerobics provides a place for the children of FLOC (For the Love of Children) to exercise and has created a relationship with the Principal of the Adams Elementary school providing fitness consultation for children. Mika Buffington, our facility Director has our maintenance staff collect trash daily from the sidewalks in and around our block in an effort to give back to neighbors. The gym also allows people living with AIDS access to the facility once a week for free. Results consistently donates services and money to dozens of charities helping them help the community.

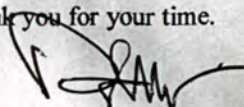
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Nash
Podesta
Berkhard
(for repl)

During your administration, I was able to secure an SBA loan, which enabled me to create my dream.

I have had the opportunity to meet the most intriguing people as a personal trainer in DC. I even had the opportunity to provide training for many people in your political world including Secretary Richardson, Congressman Frank, Richard Socarides, Mrs. Gore, and many others. The gym's investor dinner is being held at The Hay Adams Hotel Thursday evening followed by a cocktail reception on the roof top patio. I intend on taking this opportunity to toast you and your administration for providing me with this opportunity.

So I write you this letter for three significant reasons. First, to thank you for providing my generation with the opportunity to live in a world that provides so many opportunities in an environment that allows people to live their lives as they see fit. The second reason, now that I have your attention, is to express my deepest concern regarding the health of the average American. We are over weight. This is the greatest problem we have to date. It effects everything from healthcare to quality of life. I don't know the solution but I thought I would voice my concern and offer to you my assistance in correcting this problem any way you see fit. The third and least important reason I write this letter is in hopes that it could convince you to swing by the private dining room at the Hay Adams Hotel restaurant during this celebration. It never hurts to ask and I didn't want to let the opportunity pass me by to at least ask. Regardless of your response I intend to toast you and your administration for this opportunity.

Thank you for your time.


Douglas Jefferies

PS. I became a homeowner for the first time ever this week. Thanks again.



12-10-99



UNITED STATES DEPARTMENT OF EDUCATION
REGION I
OFFICE OF THE SECRETARY'S REGIONAL REPRESENTATIVE
 J.W. MCCORMACK POST OFFICE AND COURTHOUSE - ROOM 540
 BOSTON, MASSACHUSETTS 02109
 (617) 223-9317

The Honorable William Jefferson Clinton
 President of the United States
 The White House
 1600 Pennsylvania Avenue
 Washington, DC

December 8, 1999

L. Cutler

This is wonderful!

Pls do your best to

Jan, Mayor, Ed Jerome, Benkhart
 of school
 and other
 things

Dear Mr. President:

I want you to know how much progress has been made on our assisting Pine Ridge Reservation in South Dakota. You designated the children there as your top priority, and our regional office in Boston took the challenge seriously.

✓ When you met Mayor Eileen M. Donoghue of Lowell, Massachusetts, she told you of our plan to collect books. Thanks to the efforts of Mayor Donoghue and the people of the City of Lowell, over 65,000 books will arrive in South Dakota next week.

✓ The island of Martha's Vineyard, led by our mutual friend Ed Jerome, is collecting boots, coats, mittens and assorted winter clothing for the people of Pine Ridge. Dozens of boxes full of these supplies will be shipped by UPS from Martha's Vineyard to Pine Ridge and will also arrive next week. FEMA may be able to send a plane to the island to pick up more supplies to be flown to Pine Ridge. Many of the tornado victims do not have the clothing to survive the harsh winter.

The following items will be delivered to Pine Ridge on December 18th:

- 65,000 children's books
- School supplies
- Winter clothing
- 2,500 blankets donated by FEMA
- 40 computers that will enable the children to connect with United States Department of Education projects

The Department of Agriculture may also be donating some food for the Pine Ridge residents. I believe our things will be the first to arrive. I know that you expect a quick response. I will tell the children that you are the reason that we are there. I hope you are proud of the efforts of the people of New England.

Sincerely,

Jan Paschal
 Secretary's Regional Representative

Our mission is to ensure equal access to education and to promote educational excellence throughout the Nation.

copied
 Cutler
 Podesta
 Benkhart
 (for reply)

*Sunday - need to follow up on this point
where - by getting help*

**POINTS FOR MEETING WITH
SERB AND ALBANIAN LEADERSHIP**

For Both *to be used elsewhere -*

Be

- Many Albanian and Serb leaders have denounced violence, but more must be done. Must work together and be proactive in preventing it, and strongly condemn it when it does occur. We will support KFOR and UNMIK's efforts to punish those responsible.
- UNMIK is working to hold elections as soon as feasible. We support this. Encourage all ethnic groups to participate. Want to give as much authority as possible to local municipalities, so Serbs and Albanians can run their own lives.

For Serbs

- Understand and sympathize with your security fears. Violence against Serbs is down, but still unacceptably high. UNMIK and KFOR acting to protect Serbs, but more needs to be done.

copied

THE PRESIDENT HAS SEEN

12-10-99

*Berger
NSC WW
Desk
Podesta*

* Rules Committee / Morpheus

Notice

\$ Chair / Time

KIA KOC

Work together Trade Council

Zero 176 or 12/9 - dinner before lunch
Gov / Govt - in next place

Key: Alman-Kos / Chick
(also Red)

Mass H - port Pres - See Proj Fort

- | | |
|--------------------------------------|---|
| ① # → <u>fraction of cost of war</u> | Cong - 4 days
- <u>winning</u> ☒ |
| ② <u>How to organize Admin</u> | |
| ③ <u>Security</u> | |
| ④ <u>How to Reconstruct</u> | |
| ⑤ <u>Plan</u> | |

⑤ Rules of Hb & fr Rules of Kos Subs, other rules -
in its of prop, with, movement — Chick, Reason
Thick

⑥ 80 committee / 400 subs bills,
Subcommittee

⑦ How

THE PRESIDENT HAS SEEN

12-10-99

THE PRESIDENT HAS SEEN

12-10-99

Podest

WASHINGTON SPORTS

& ENTERTAINMENT

fyk - we did the right thing & Tom Davis would step out, we could do it -

copied
Podest

As a very private person, it is not very often that I talk about the things that I have tried to accomplish in my lifetime. But when Rising Tide was not approved by the Congress that just adjourned, I felt I had to break my silence and speak out.

I have spent a lifetime building a reputation for honest and fair dealings in all my endeavors. Next to my family, my reputation is the most important thing in my life. In recent days the reputation that I hold so dearly has been challenged by inaccurate statements and false innuendo. I have, therefore, decided to set the record straight.

In 1973 I built the Capital Centre with my own money and brought two professional teams to this area - the Washington Bullets and the Washington Capitals. At the time, the Capital Centre was a state-of-the-art facility, second to none. But after many years, I realized that the Capital Centre was no longer state-of-the-art. I decided to attempt to build a new arena in this area.

When word spread that I was considering a new arena, I was approached by the folks in Virginia, Maryland, and the District of Columbia to build this new facility in their area. I listened to all the proposals and then decided that I would build in the District of Columbia if at all financially feasible. After much negotiating, the District folks offered to finance the major cost of a new facility with District of Columbia bonds. I then proceeded to push the plans so that I could start construction as soon as possible. When we were getting ready to close, I was informed that the District's financial rating was so low that no one would buy their bonds.

I was approached again by the Maryland folks who offered to build the new arena next to Camden Yards in Baltimore. Their offer was, "Abe, we will build the new arena and hand you the keys, and you will have zero debt." I then had a very difficult choice to make. Do I accept Baltimore's offer and end up with a new arena with no debt, or do I build in the District with a \$200 million debt? Against the advice of my closest advisors and my family, I decided to build in the District. The offer I rejected was ultimately offered to the Baltimore Ravens who accepted their offer. A new stadium was built with no investment by the owner and with no debt.

What was the reasoning behind my decision? The Nation's Capital - the most important city in the world - had hit rock bottom. This city needed someone to step forward - I felt that I was that guy. As owner of two sports teams, I realized that I was in a unique position to help turn this city around. This is a city that I love and a city that has been good to me all of my life. It was time to put something back.

So I built MCI Center with some of my own money and a huge debt. I hoped that someday I would be able to refinance the debt with tax free bonds that were originally promised to me. I was forced to pledge and put at risk everything that I have accumulated in my lifetime in order to allow me to start construction.

So I built MCI Center with some of my own money and a huge debt. I hoped that someday I would be able to refinance the debt with tax free bonds that were originally promised to me. I was forced to pledge and put at risk everything that I have accumulated in my lifetime in order to allow me to start construction.

Enter Rising Tide. Rising Tide was an effort to induce others to invest in the city as I have done. It simply states that, if companies invest \$25 million in the city and hire 400 new employees, they would be allowed to finance their new ventures with tax free bonds. A part of Rising Tide would also allow MCI Center to refinance its staggering debt with tax free bonds and bring my debt service close to what was originally promised to me.

All of the local politicians from both parties, the Mayor, the Board of Trade, all of the leading entrepreneurs in the city, have endorsed Rising Tide. The Joint Committee on Taxation, a non-partisan group, has estimated that, if Rising Tide became a reality, 10,000 new jobs and \$1 billion of new investments would be forthcoming to the city. To portray Rising Tide as only a tax break for MCI Center is false and misleading.

To deprive the Nation's Capital of all the benefits that Rising Tide would provide because of, in my opinion, a factually incorrect headline and an equally misleading article in *The Washington Times*, is unconscionable.

The completion of MCI Center has done exactly what I had hoped it would do. Dozens of new projects - hotels, restaurants, office buildings - have already been built. A dozen more projects are on the drawing board - movie theaters, more hotels, retail stores, entertainment facilities and the like. Building cranes can be seen everywhere in the area.

I am proud of the decision I made to build the best arena in the world in the most important city in the world. I am also deeply saddened about the unfair and unjust charges made against me.

Rising Tide will not rise tomorrow morning, but tomorrow morning the sun will rise over the most beautiful and important city in the world.



Abe Pollin

✓ C. S. Streett

12-10-99

THE WHITE HOUSE
WASHINGTON

12/7/99

Pen

Matt Zuckerman
is following up
on your comment
to him to come
see him about
a few items -
Please advise -
N

Setup Meeting
Boz

12-10-99

copied
Streett
Podesta