

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. memo	Laura Graham and Shannon Butler to POTUS (1 page)	05/18/2000	b(6)

COLLECTION:

Clinton Presidential Records
Staff Secretary
Chron Files
OA/Box Number: 21407

FOLDER TITLE:

Monday, May 22, 2000

2019-0990-S
rs3433

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

cc Photo Office
Nancy M.
N. H.
Ann H.C.
HPC
JANIS K.
I shall say just a few
to Patuon & the other
guide—

THE WHITE HOUSE
WASHINGTON

May 22, 2000

Geoffrey C. Ward
290 West End Avenue #17-C
New York, New York 10023

Dear Geoff:

Thank you for the thoughtful letter. I was moved by it and was particularly pleased to know more about Fateh Singh Rathore. It was wonderful to meet him. I greatly appreciated his wisdom and guidance at Ranthambhore.

It was good, too, to see you and Diane in India. Do call Nancy Hernreich when you know when you might come to town.

Sincerely,

Bill Clinton

I'd love to have
you and your wife come
down & spend the night
to see the White House
and the Oval Office—

copied
Photo Office
Morrison
Hernreich
Mc Coy
HRC
Kearney

GEOFFREY C. WARD

290 WEST END AVENUE , #17-C
NEW YORK, NY 10023

212-787-4618
FAX 212-724-7834

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Ce T Branch
per for
Sandy

President Bill Clinton
The White House
Washington, D.C. 20500-2000
May 5, 2000

Dear Mr. President,

We're recently back from India, where it was wonderful to see and talk with you again on the helipad after your visit to Ranthambhore. Before memories fade too far I thought you might like to hear something of the kind of impression you made.

In thirty years of visiting India I have never heard such enthusiasm for any American as I heard following your visit. Everyone I know, from cabinet ministers in Delhi and Jaipur to the man who has driven for us for 15 years, followed your progress in the newspapers and on television with total fascination. And everything you did seemed to strike precisely the right chord – from the artful adult way with which you dealt with the nuclear problem in front of the Indian parliament and the empathetic patience with which you listened to those heroic but long-winded village women in Rajasthan, to the fact that you shook hands with everybody at the New Delhi hotel (something no Indian statesman would ever dream of doing). Clearly, the trip was a triumph for you and for the United States.

But I thought you also might like to know how it affected the man who showed you around at Ranthambhore, Fateh Singh Rathore. It took some behind-the-scenes maneuvering and help from D. Miller, the sharp and sensitive young man who headed your advance team, to get him into your vehicle in the first place. Fateh is long-retired and unpopular with the higher-ups in the forest department whose corruption and lack of commitment he has publicly denounced. Had they had their way, you would nothing been accompanied by a desk-bound bureaucrat with impeccable academic credentials and absolutely no knowledge of the forest

Fateh himself is intimidated neither by tigers nor by armed poachers but the prospect of guiding you through the park he helped create did give him some pause. I remember his asking me what he was to call you. "Mr. President," I said. He shook his head: "Not mighty enough. He is the most powerful man in the world". I told him that was they way we did things. And how would you react, he asked, if after making you and your daughter drive through all that dust, he was unable to show you a tiger? (Most visitors don't see one, after all.) I said you'd survived worse disappointments. He seemed reassured as he drove off from his house, but he was praying hard, he told me, before you rounded that curve and saw your first tiger. The fact that you did see two – and that the second was a tigress stalking deer in the middle of a stream – was something like a miracle. (I'm envious, having been through the park at least 100 times without ever seeing anything like it.)

Diane and I were waiting at the helipad , along with a big crowd of Indian reporters, forest officials, heads of conservation groups, embassy personnel, secret

service and policemen, when word crackled in by walkie-talkie that you'd seen a tiger "Seen!" shouted the police officer in charge, waving his swagger stick. Everyone ran around shaking hands, embracing, shouting with glee. After we'd said goodbye and you'd roared off safely to Jaipur we rushed back to Fateh's home just in time to greet him as a conquering hero with a bottle of champagne. He couldn't stop talking about the respect and friendliness with which you and Chelsea had treated him, or the genuine curiosity you both showed in everything you passed. His junior colleague, J.V. Reddy agreed "Absolutely no arrogance," he told me several times, shaking his head in disbelief. "Nothing like our politicians."

By visiting Ranthambhore – and by publicly speaking about the importance of saving tigers three times the next day – you did a great deal for the cause and everyone involved is grateful. But your visit also provided the capstone for my friend Fateh's career, served as public vindication for all the pain and vilification he's suffered over the years. For that, I personally can never thank you enough..

We talked on the helipad about the history of jazz I've just finished and you were kind enough to invite me down to see your music room. I'd love to do it and would also be grateful for a quick glimpse of the Oval Office if that's possible. If I ever go further with my FDR biography I'd love to have had a first-hand look at the place where he – and you – accomplished so much.

Best,

A handwritten signature in black ink, appearing to read 'Geoff', followed by a long horizontal line extending to the right.

Geoffrey C. Ward

MEMORANDUM

STEINHARDT BAER PICTURES COMPANY

*Group See
Jett
Please circulate
& have someone
answer him.
7/11*

TO: Nancy Hernreich
FROM: Tom Baer - (310) 777-3682
SUBJECT: Executive Director - Interagency Working Group (IWG) formed pursuant to Nazi War Crimes Disclosure Act
DATE: May 17, 2000

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IWG members are government
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per year.

The person appointed by us will be required to accomplish the following:

- interface with the agencies to supervise declassification efforts;
- act as liaison with interested members of Congress who will be reviewing our work and funding us (Sen. Dewine; Congressman Horn and Congresswoman Maloney);
- prepare the agenda for monthly meetings and advise the public members of the issues to be discussed;
- manage our board of advisors and our employed historians to deal with the possible refusal of certain agencies to declassify certain documents;

MEMORANDUM

STEINHARDT BAER PICTURES COMPANY

*Group See
Joffe
Please calculate
& have someone
review him.
JMS*

100 MAY 23 AM 12:48

TO: Nancy Hernreich
FROM: Tom Baer - (310) 777-3682
SUBJECT: Executive Director - Interagency Working Group (IWG) formed
DATE: pursuant to Nazi War Crimes Disclosure Act
May 17, 2000

The President appointed Richard Ben-Veniste, Elizabeth Holtzman and me as public members of an interagency working group formed pursuant to the Nazi War Crimes Disclosure Act of 1998. The statute requires declassification of all records of the United States pertaining to Nazi war crimes against persons or property.

In addition to the three of us, the IWG members are government agencies holding documents, the Archives, the Holocaust Museum and the NSC.

It is proposed that we hire an executive director who will serve until the end of next year unless the Congress extends the life of the IWG. It is proposed that the executive director be paid in the neighborhood of \$100,000 per year.

The person appointed by us will be required to accomplish the following:

- interface with the agencies to supervise declassification efforts;
- act as liaison with interested members of Congress who will be reviewing our work and funding us (Sen. Dewine; Congressman Horn and Congresswoman Maloney);
- prepare the agenda for monthly meetings and advise the public members of the issues to be discussed;
- manage our board of advisors and our employed historians to deal with the possible refusal of certain agencies to declassify certain documents;

Hernreich
Page 2

- supervise the preparation of a guide to the declassified materials;
- act as the spokesman for the IWG with the press;
- plan and implement an international conference on declassification of materials relating to Nazi war crimes;
- supervise the preparation of our report to Congress and the American people as mandated by the statute.

The job is in Washington. The office will be in the Archives Building. Any suggestions would be very much appreciated.

The web site for the IWG is <http://www.nara.gov/iwg/>.

HARVARD UNIVERSITY

LAW SCHOOL



February 1, 2000

00 MAY 23 AM 12:38

Bill Clinton
President of the United States
Washington, D.C. 20500

Dear Mr. President:

As a long-time admirer and supporter of your presidency, I write this note to request an interview with you concerning the programs you have launched and encouraged for revitalizing the inner cities.

Earlier we have discussed briefly my book on Suburbs under Siege: Race Space and Audacious Judges. You are deeply concerned with the racial and ethnic divisions to which you have called national attention as the important domestic issue confronting the U.S. This year I hope to complete a book on National Urban Policy since the Great Society. Of course, this would encompass social and economic issues as well as city planning and mortgage and financing techniques of the future.

As you know, I drafted the Act establishing HUD, as well as the Model Cities legislation and the New Communities Act, and served as Assistant Secretary and Under Secretary of HUD under President Johnson.

Your role in the evolving national urban policies, in housing, small business loans, and community planning, and in supporting financial and local community institutions and initiatives is an important legacy of your Administration. I hope to contribute to a national appreciation of your remarkable ideas and policies.

With all best wishes,

Charles M. Haar
Brandeis Professor of Law

Gristwood Hall 300
Cambridge, Mass. 02138
(617) 495-4610

Sincerely yours,

Charles M. Haar

5-22-00

To Burkhardt for reply?

Yes ☒ No ☐

cc: Scheduling? Yes ☐ No ☒

Coordinate
w/ DPC

B.

00 MAY 23 AM 12:38

May 22, 2000

5-22-00

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Who should handle
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cc: Secret Service

TO BURKHARDT -

PLS CONFIRM AND THERE'S
NO PREVIOUS CORRESPONDENCE
W/HER; ASSUMING NOT,
SEND TO ORM

cc: Secret Service

Dear President Clinton:

As I have previously notified you of my intention to retire from my position with the US Department of Defense, I hereby resign from the staff of the Joint Chiefs effective May 31, 2000. After being left homeless on the streets of Washington, DC for two years without housing, pay, proper medical care, a car, shoes that fit or enough food to eat, I simply cannot work in your administration any longer. For my own physical health and safety, I must return to my urban design, architecture and planning work so that I will have a regular paycheck and be able to provide for my needs since all of you have failed miserably to do so. The government currently owes me over \$500,000 in salary plus investments; return of all personal property stolen from me while in the city; and access to and information on all real property acquired in law suits, settlements or by my funds.

I simply can no longer support your administration while I watch some of our best Defense intelligence and military personnel killed, maimed and jailed while on active duty within our country. With our nation facing grave problems in the 21st century and an election in less than six months, I do not feel that any of you are providing secure leadership to Defense personnel nor providing the American public with sufficient information for their safety. During the entire eight years of my service to the nation, I have been treated horribly by people, endured nine kidnapping and suffered Star Wars radiation burns as well as beatings, druggings, interrogations, insults, threats and harrassment. You walk the streets without a bullet-proof vest and clean-up the country yourself. If you want any more help from me, you will have to offer me another job in your administration. If the American people want any more help from me, they will have to elect me as President and pay me.

In the eight years since I turned in the "trainer" of the Michigan Militia to the FBI in Charleston, SC, I have had to endure humiliation, heartbreak and harrassment from a stream of vicious lies. I am not nor have I ever been "mentally ill", "a prostitute", hiding out on Whidbey Island "pregnant", or "running from anything". All of you have a responsibility to publically clear my name and thank me for my eight years of public policy and program work for this country and I expect you to do so.

Let me make the following things perfectly clear:

1. If you, or anyone else including my siblings, continue to spread vicious lies about me or any other inappropriate information, US intelligence, law enforcement and military personnel are hereby

00 MAY 23 AM 12:38

May 22, 2000

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

Attorney General Janet Reno
US Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530

Vice President Al Gore
Old Executive Office Building
1700 Pennsylvania Avenue, NW
Washington, DC 20500

General Hugh Shelton
Chairman, US Joint Chiefs of Staff
The Pentagon
Washington, DC 20301

Mr. William Cohen
Secretary of Defense
The Pentagon
Washington, DC 20301

General Joseph Ralston
Vice Chairman, US Joint Chiefs of Staff
The Pentagon
Washington, DC 20301

Dear President Clinton:

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Let me make the following things perfectly clear:

1. If you, or anyone else including my siblings, continue to spread vicious lies about me or any other inappropriate information, US intelligence, law enforcement and military personnel are hereby

empowered to make the necessary arrests or take other actions to secure my safety and the credibility of our national defense and intelligence system.

2. If you, or anyone else, seek to continue to enforce my homelessness and lack of access to proper jobs, pay, medical care and services, US intelligence, law enforcement and military personnel are hereby empowered to make the necessary arrests or take other actions to secure my health and safety.

3. If you, or anyone else, continue to block me from my professional work as an urban designer, college professor, architectural designer, urban planner, developer, defense expert, consultant or other work, contracts, professional meetings or fellowships, US intelligence, law enforcement and military personnel are hereby empowered to make the necessary arrests or take other actions to secure my right to work and get paid adequately for work.

4. If you, or anyone else, continue to claim authorship, copyright, patents, pay, dividends or makes any other crazy claims of public policy, programs, projects, inventions, articles, books, art or other materials that I have authored, outlined, designed or otherwise created, US intelligence, law enforcement and military personnel are hereby empowered to make the necessary arrests or take other actions to secure my work and right to control my intellectual property that was stolen by wiretaps and eavesdropping while I was not employed by the government since 1993, employed by the government since 1995, or stolen from my car, homes or storage units.

5. All backpay, investments, personal and real property is due to me immediately. When I retired from the US Joint Chiefs of Staff on October 1, 1997, I never received my pay, property or investments due at that time. Instead, Whidby Island was attacked by Serbian military and I was forced to flee my home to stay alive. If you, or anyone else, continue to block me from access to my pay, property and investments, US intelligence, law enforcement and military personnel are hereby empowered to make the necessary arrests or take other actions to secure my assets.

6. I hereby authorize the arrest of Suzanne (Muncy) Hudson for her possible involvement in my nine kidnappings; the attempted murder of Charles Randolph Blyth and his daughter in 1995; the kidnapping of Blyth's daughter into the control of Julie Hamre and Bethany Women's Center; the murder of US Navy Seals assigned to me for my safety in Hanahan, SC in 1994; the murder of a National Security Agency military policeman assigned to me for my safety in Germantown, MD in October 1995; and murder attempts against her brother Tim Hudson who works for the National Security Agency. During the nine kidnappings I have endured since 1993, the only person I was able to reach on the telephone each time was Suzanne (Muncy) Hudson which leads me to believe that she had access to phone lines at all the kidnapping locations while other calls I tried to make for help were blocked.

Ms. Hudson also needs to tell us "who" has been stealing my mail since she claims I do not receive it all; "who" had the affair with President George Bush since she claims he had a long affair during his terms in office and apparently worked with him at the CIA; and who "they" are that she claims are not going to turn-off Star Wars weapons aimed at me, DOD personnel and other Americans who oppose drug-trafficking. Ms. Hudson also recently said on the telephone that the DC Fire Chief fired by Mayor Williams in December 1999 was terminated "because he had kept me alive" while I was homeless; and that she remembered the kidnapping of John Lyons two daughters in Wheaton over twenty years ago "like it was yesterday". It appears that Lyons daughters were stolen, brainwashed, moved to England and grew up believing they were Jill Dando (murdered in May 1999 in London) and Sophie Rhy-Jones (married to Prince Albert in June 1999). Ms. Hudson has long believed that illegal drugs should be "legalized"; holds an elitist attitude that Americans cannot handle the truth about what their government does; and believes Americans have no right to know how their tax dollars are spent. I disagree with her and hope I am wrong about her involvement in these crimes; but our friendship has been over for many years.

Since I will be leaving on a trip across the country this week and am concerned about my safety after nine kidnappings and a number of attempts on my life, I want Suzanne Hudson placed under arrest immediately and questioned about her involvement in planning the kidnappings and the murders of US and British military personnel. Something is seriously wrong when Ms. Hudson knows the answers to so many things but won't divulge the information to me. Something is wrong when Ms. Hudson can travel to New Hampshire, North Carolina, Panama and elsewhere without being kidnapped when I cannot safely go to those areas.....and wrong when she has the money to travel, keep a home and buy anything she wants when I do not. Something has also been wrong a long time since she could enter the Pentagon for meetings; but the Chief of Intelligence of the US Joint Chiefs of Staff could not.

7. I hereby authorize the arrest of Julie Hamre for failing to deliver adequate assistance for housing, food, shoes, medicine and other needs from 1998-2000 while she served as Comptroller of Bethany Womens Center for a government agency. Mrs. Hamre needs to explain why I was not provided \$150 to retrieve my stolen car from Congress when you was impeached; why Blyth's daughter was brainwashed and threatened not to talk to me in 1998 while at Bethany Womens Center; and why her friend, Texas criminal Robert Reed, locked me out of Jim Franklin's house in July 1998 and stole my belongings. Mrs. Hamre also needs to explain her involvement with Suzanne Hudson leaving me homeless on the doorstep of Bethany Womens Center in July 1998 and what she knows about the stolen children network. Ms. Hamre needs to explain why I was burned by radiation on the face and back while I worked in her office at the National Association for Law Placement in 1999 while she did nothing to provide insulation over my head for my safety and why she refused to terminate a student who continually insulted me while I worked there. It is outrageous that Ms. Hamre paid me \$60 a day to stuff envelops for NALP while her husband refused me access to my DOD salary of \$60 an hour that they had either embezzled or were holding for others.

8. Copies of all documents and reports that I have submitted to the administration and Cabinet departments are due upon request if I need them for whatever reason. If documents I have submitted are "lost" or "disappear", you and your staff will be responsible for replacing them. I also expect copies of all IRS taxes that have been filed for me since 1993 to be handed over with my pay, property and investment information.

Attached are 35 pages of additional handwritten documents concerning various issues or problems that need to be addressed by various members of my staff, the Cabinet or Joint Chiefs. Also enclosed is miscellaneous paperwork that needs to be placed in my files. Should the Department of Justice or DOD need copies of earlier reports that I filed with their offices in 1998 and 1999 that have "disappeared", please notify me immediately so that those reports can be copied for them.

As for my ability to do my job for the American people as Chief of Intelligence, all I can say is that I tried even in the face of being blocked from my Pentagon office, blocked from meetings with the Joint Chiefs, blocked from meetings with the Cabinet, left without access to intelligence reports, left homeless on the streets, and left with no access to television news for over two years. I have done what I could to save and stabilize my country; but the number of deaths that the intelligence divisions have sustained is too great and the frustration level of my people too high for me to continue trying to work for the Defense Department while I am homeless with no access to the things and people I need to properly do my job.

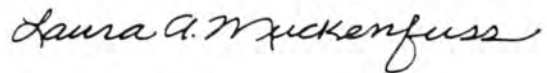
I am greatly concerned about the US export of thousands of criminals who are now causing problems worldwide. I am greatly concerned about the number of our military and intelligence personnel in US jails for doing their jobs to secure the nation. I am greatly concerned about the number of stolen and runaway brainwashed children with false identities now taking over Washington metropolitan area jobs and universities.

I grieve for the loss of so many great Defense intelligence and military personnel that have been killed

since my tenure with the Joint Chiefs began in 1995. I grieve for the loss of so many young people killed in our nation's schools, community centers and streets. Your silence and the silence of the Cabinet and Joint Chiefs is deafening. Not since Hitler's reign of terror before and during World War II have so many leaders of a nation and so many free press journalists been so silent as one of the nation's top leaders was left homeless on the street and robbed of everything she owned.

It is just impossible for me to do my job under the circumstances.

Sincerely,

A handwritten signature in cursive script that reads "Laura A. Muckenfuss". The signature is fluid and elegant, with the first letters of each word being capitalized and prominent.

Laura A. Muckenfuss

cc: Members of the Cabinet
Members of the Joint Chiefs

Clinton's Last Stand

George W. Bush called it a "Clinton-

Gov. Brampton
CC: Taylor Branch
Reddick

Memorandum
Branch wants to make
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5-22-00

. CLINTON



positioned himself on a scenic overlook in Virginia called Reddi Cupied the backdrop of the Hampton National Forest coop Branch autumn colors, announ Ricchetti called "one of the larg Podesta efforts in America's hist Personal file

the U.S. Forest Service to study and then propose America's "roadless areas"—54 million acres of small as 1,000 acres, though the traditional minir nation is 5,000 acres. No other President had more boldly defied the will of Congress with an administrative land-protection order since 1907, when Theodore Roosevelt designated 21 new national forests covering 16 million acres in the eight days before Congress permanently stripped the chief executive of such power.

At this writing, the Forest Service is preparing a draft environmental-impact statement (EIS) that it says should be out about the time you receive this issue of *Audubon*. Public comments are vital because they will help shape the final EIS, due out before November, and determine the fate of about a quarter of our national forestland. Among the items under debate are the minimum size of a "roadless area" and whether or not our largest national forest—the Tongass, in Alaska—should be exempt (see "What You Can Do," page 94).

Some of the response to President Clinton's announcement has been predictable. The American Forest & Paper Association, trade group of the forest-products industry, shrieked as if fondled by a vampire, spewing such gross misinformation as, "The next step will be zero cut on our

ILLUSTRATIONS BY TIM BOWER

Stand

Clinton's Last

George W. Bush called it a "Clinton-Gore land grab." But the President's move to protect America's roadless areas could be the boldest conservation act since Teddy Roosevelt. Now the fate of our last patches of uncut forest may depend on you. **BY TED WILLIAMS**

ON OCTOBER 13, 1999, PRESIDENT BILL CLINTON positioned himself on a scenic overlook in Virginia called Reddish Knob and, against the backdrop of the George Washington National Forest cooperatively aglow with autumn colors, announced what he accurately called "one of the largest land-preservation efforts in America's history." He was ordering the U.S. Forest Service to study and then propose how best to protect America's "roadless areas"—54 million acres of forest scraps, some as small as 1,000 acres, though the traditional minimum "roadless" designation is 5,000 acres. No other President had more boldly defied the will of Congress with an administrative land-protection order since 1907, when Theodore Roosevelt designated 21 new national forests covering 16 million acres in the eight days before Congress permanently stripped the chief executive of such power.

At this writing, the Forest Service is preparing a draft environmental-impact statement (EIS) that it says should be out about the time you receive this issue of *Audubon*. Public comments are vital because they will help shape the final EIS, due out before November, and determine the fate of about a quarter of our national forestland. Among the items under debate are the minimum size of a "roadless area" and whether or not our largest national forest—the Tongass, in Alaska—should be exempt (see "What You Can Do," page 94).

Some of the response to President Clinton's announcement has been predictable. The American Forest & Paper Association, trade group of the forest-products industry, shrieked as if fondled by a vampire, spewing such gross misinformation as, "The next step will be zero cut on our



public forests." And: "They are building a wall around the national forests. ... The fire and diseases will spread to private forestlands and homes and towns." And: "This is an end run around Congress. It is up to Congress to designate wilderness areas." And: "Many people supplement their incomes by selling firewood salvaged from national forests. No more."

Property-rights zealots and politicians used the opportunity to get listened to. "There's no law that supports him. ... What they are doing is illegal and unconstitutional," pronounced Perry Pendley, author of *War on the West*, to Salt Lake City's *Deseret News*. Senator Larry Craig (R-ID) accused "King William" of re-creating "feudal Europe," "lock[ing] up" the national forests "to all but an elite few," and making an "overt political move to shore up support for Prince Albert." Senators Frank Murkowski (R-AK) and Robert Smith (R-NH)—neither of whom had ever evinced the slightest interest in the National Environmental Policy Act (NEPA), except as it impeded their development plans—sent the Forest Service a seven-page missive about how the administration was violating NEPA by limiting public participation. Echoing the claim, the governors of Idaho and Montana—where roadless national forestland totals 15 million acres—sued.

In his 2,000-word announcement, Mr. Clinton invoked the name of Theodore Roosevelt 10 times. It was a strange sight. The president who had entered the White House emulating his own party's boy king of Camelot was leaving emulating the GOP's trust-busting, roughriding bull moose. What did it mean? Is an administrative ban on new roads on 54 million acres possible? Is it legal or even desirable? What will be the economic impacts? How will fish and wildlife be affected? How will recreation be affected? What does the public think of such a notion? What are Mr. Clinton's real motives? Who's really behind it?

ONLY THE LAST OF THESE QUESTIONS elicits the same answer from virtually everyone you ask it of. The person behind the roadless initiative is a biologist, woodsman, and passionate fish and wildlife advocate named Michael Dombeck—a man who really does speak softly and who understands that, for this job at least, the stick he carries as chief of the Forest Service isn't big enough.

As a fishing guide in northern Wisconsin, as a fisheries scientist for the Forest Service, and as acting director of the Bureau of Land Management, Dombeck saw firsthand what roads do to public resources. Stabilizing, rehabilitating, and—where appropriate—doing away with roads became his top priority as he struggled to change the mis-

The American Forest & Paper Association shrieked as if fondled by a vampire, spewing such gross misinformation as, "They are building a wall around the national forests."

sion of his 30,000-person bureaucracy from resource extraction to resource stewardship. "Of all the things that we do on national forests, road building leaves the most lasting imprint on the landscape," he declared in January 1997, a month after he took office.

Everywhere he looked, Dombeck saw the costs of ill-conceived, ill-designed logging roads measured in lost fish, wildlife, water, and timber. During the winters of 1995–96 and 1996–97, for example, roads on the Clearwater National Forest in Idaho caused about 700 landslides, which sent heavily timbered mountainsides into rivers. In February 1996 almost 1,300 landslides caused by roads and clearcuts on the Siuslaw National Forest in Oregon further stressed critically depressed salmon populations.

Even if the soil stays in place, many species, such as wolves, elk, and forest-interior birds, decline when woods are fragmented with roads; species such as grizzlies, lynx, and wolverines are apt to disappear. There are few large roadless areas on private land, so the 54 million acres that remain in our national forests—along with a few other federal holdings—are about all there is. It sounds like a lot when described as a quarter of all national forestland, but a more revealing description is 2.2 percent of America's 2.5 billion acres. The question Dombeck has been asking for four years is this: What's the rush to make these relict scraps like all the rest? The national forests are already laced with 380,000 miles of roads—enough to circle the globe 15 times—and the agency doesn't have the money to maintain 80 percent of them at the standards required by its own environmental and safety regulations. The current road reconstruction and maintenance backlog is \$8.4 billion.

BEFORE DOMBECK PREVAILED ON CONGRESS to do away with the practice in 1998, the Forest Service financed elaborate roads under a system called "purchaser road credits." It would pay a timber company for building a road by giving it a discount on the timber it cut. If the road cost more than the timber was worth, the Forest Service would wind up owing

the logging company trees. The system was a good part of the reason the public's trees didn't pay their way out of the public's woods. Dombeck was the first chief to admit these deficits; before he came on the scene, the agency had attempted to conceal them with trick arithmetic. Between 1992 and 1994, for example, the Forest Service claimed to have made \$1.1 billion on timber sales—even as the Government Accounting Office revealed that it had *lost* \$995 million. The more roads the Forest Service financed, the more money it could tell Congress it needed.

Dombeck's predecessor, Jack Ward Thomas—also a respected scientist and a reformer in his own right—had candidly informed the environmental community that he was going to log roadless areas because that was the only way he could get out the volume of timber he and Congress desired. Dombeck, on the other hand, hadn't been on the job a month when he told Congress this: "The unfortunate reality is that many people presently do not trust us to do the right thing. Until we rebuild that trust and strengthen those relationships, it is simply common sense that we avoid riparian, old-growth, and roadless areas." Because the Forest Service is funded in part by its own timber sales, road building and logging traditionally have taken precedence over all other forest uses. And Congress has pushed road building and logging because, under a bizarre arrangement established in 1908, local communities get 25 cents for every dollar the service earns in timber sales, virtually all of which is spent on schools or roads. So Dombeck's statement elicited howls from property-rights groups, western Republicans, and old-guard "timber beasts" in his agency.

Meanwhile, environmentalists remained skeptical. They had heard this kind of talk from the Clinton administration before. And in the midst of the talk, the President had signed the salvage logging rider, which basically said to the timber industry, "During the last half of 1996, environmental laws don't count. Under the guise of 'salvaging' the public's timber after and even before it is killed by fire, insects, or microbes, you can hack it down without protecting public resources or bothering with public review. And while you're at it, help yourselves to old growth in spotted-owl reserves. Enjoy!" Was there any genuine courage and commitment behind the good-sounding talk of Clinton's young, untested Forest Service chief?

Dombeck detested purchaser road credits and other reverse incentives that worked against forest stewardship—such as the Knutson-Vandenberg Act of 1930, which lets the Forest Service retain timber-sale receipts in a trust fund for pet projects. He found powerful support from a coalition of environmentalists and conservative tax activists who called themselves the Green Scissors Coalition. Thanks in large measure to lobbying

by that group, the House of Representatives came within a single vote of zeroing out the \$42 million budgeted for road construction in national forests in 1997. In the Senate the vote was deadlocked. The political climate was right for action.

IF SENATOR CRAIG HAS IT RIGHT THAT THE Clinton administration's real motive is to position Al Gore for the presidency, the plot has been two and a half years in the making. In January 1998 Dombeck announced a proposal to temporarily halt road construction in 130 of 156 national forests and to develop a fish-and-wildlife-friendly transportation policy. The moratorium became effective in February 1999, the same year Clinton's Office of Management and Budget shot down Dombeck's proposal to get rid of the Knutson-Vandenberg fund and all the other reverse-incentive trust funds, or "slush funds," as environmentalists call them. By removing the incentive to overcut, that single reform could have been—and may yet be, if Dombeck pulls it off—even more important to the long-term health of our national forests than protecting roadless areas.

One might have supposed that a proposal to reduce spending for roads that weren't needed, that couldn't be maintained, and that, in many cases, were illegal because they'd been authorized under ancient, discarded forest plans, would have elicited wild cheers from fiscal conservatives in Congress. But Senator Craig (chair of the Subcommittee on Forests and Public Land Management), Senator Murkowski (chair of the Committee on Energy and Natural Resources), Representative Don Young (R-AK, chair of the Committee on Resources), and Representative Helen Chenoweth (R-ID, chair of the Subcommittee on Forests and Forest Health) informed Dombeck in writing that if he didn't back off, they'd reduce the role of the Forest Service to "custodial management." That is, they'd defund it, canceling all fish and wildlife enhancement, allowing landslides to obliterate roads, trails, and streams, and closing visitor information centers and campgrounds. If logging wasn't going to remain the dominant Forest Service program, they'd shut down *all* programs.

The chief's 1998 proposal elicited the following outburst from Young: "We need to just keep cutting the budget back

Continued on page 90



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Clinton's Last Stand

Continued from page 49

until they [Forest Service brass] finally squeal." Chenoweth hauled Dombeck to three hearings in two weeks so that she could publicly roast him; when he came to Idaho to talk about the roads proposal, she had a federal marshal serve him a subpoena, dragging him out of his conference and back to Washington for yet another dog and pony show. Through it all, Dombeck revealed himself to be polite, good-humored, soft-spoken, and as tough as Teddy Roosevelt. While all the threatening rhetoric proved to be bluff, its viciousness taught him an important lesson: If he was going to save roadless areas, he wouldn't be able to do it alone. He'd need the bully pulpit of the presidency.

WITH SUPPORT FROM the Heritage Forests Campaign—an educational drive directed

by the National Audubon Society and funded by the Pew Charitable Trusts—the Forest Service's revolutionary roads policy evolved into an even more revolutionary *roadless-areas* policy. When President Clinton announced it last October, not all the response was predictable. Some was startling, especially the silence. Apart from the wind vented by the American Forest & Paper Association almost as a conditioned reflex when Mr. Clinton said "protection," the forest-products industry has been remarkably quiet. The real opposition to the initiative, reports Chris Wood, Dombeck's chief of staff, is coming from off-road-vehicle (ORV) groups. Loudest of these is a wise-use front for ORV manufacturers and extractive industries called the Blue Ribbon Coalition, which shouts that the administration is trying to shut down *all* public use of the national forests. It's hard to figure why the motorheads are making such a fuss, unless they're fundraising. Restrictions on ORV use were never part of the President's proposal.

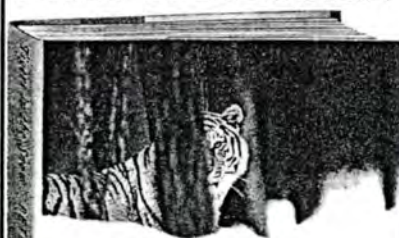
Politicians are hollering. Noting that roadless areas have traditionally been managed by the individual national forests with input from local residents,

New Hampshire's Democratic governor, Jeanne Shaheen, attacked Mr. Clinton for setting "a terrible precedent" and "discouraging citizen involvement in the forest management planning process." Her vitriol set most of the presidential candidates into full cry when they took the stump during the New Hampshire primary. "The idea that Washington knows best and those local residents cannot be trusted to do what's right in their own backyard is the epitome of federal arrogance," puffed John McCain. George W. Bush—who had named as one of his natural-resource advisers libertarian guru Terry Anderson, who advocates privatizing public lands—expressed strong support for local control. On gaining the White House, Bush vowed, he'd overturn the "Clinton-Gore land grab." Even Bill Bradley accused the President of preempting "the local planning process," though he later backpedaled when scolded by environmentalists.

Where permitted, local control of national forests has brought economic and environmental ruin: landslides, sprawling clearcuts, silted rivers, endangered fish and wildlife, and single-species plantations subject to pest infestations and inhospitable to native fauna. Locals perennially demand that federally managed land be "given back," but in most cases it never belonged to them in the first place. And where it did belong to them, they abused it to the point that they violated the property rights of others. The White Mountains National Forest, for example, wouldn't even exist had it not been for the federal purchase of cut-out, farmed-out, washed-out land that no one else wanted. The devastation

The national forests are already laced with 380,000 miles of roads, enough to circle the globe 15 times, and the agency doesn't have the money to maintain 80 percent of them.

PETER MATTHIESSEN



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PETER MATTHIESSEN

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Clinton's Last Stand

wrought by local control inspired Theodore Roosevelt to declare: "To skin and exhaust the land instead of using it so as to increase its usefulness, will result in undermining in the days of our children the very prosperity which we ought by right to hand down to them amplified and developed."

WHAT SHOULD BE THE role of Congress in all this? Is Mr. Clinton really guilty of "making an end run" around it? Well, sure. "But what's he supposed to do?" says Craig Gehrke, Idaho director of the Wilderness Society. "If you want to get things done, you bypass Congress. All it does now is stick riders on appropriations bills. Our delegation hasn't done anything on wilderness for 20 years." Daniel P. Beard, public policy director for the National Audubon Society, makes this point: "From 1964 to 1994 Congress steadily created new parks, refuges, wild-and-scenic rivers, scenic trails, and wilderness areas. When the Republicans took over six years ago, they made it very clear that they weren't interested in any of that. It all stopped. But there is compelling national support for these kinds of protections." Indeed there is. A national survey conducted last January by American Viewpoint, a Republican polling group, revealed that 76 percent of the public supports the President's proposal and only 19 percent oppose it. Five percent are undecided.

But are people like property-rights barker Perry Pendley correct when they deny the Forest Service's legal authority to administer protection (though not roads and clearcuts)? And is it only up to Congress to set aside wilderness, as the American Forest & Paper Association irately avers (not that Mr. Clinton has proposed any)? The answer to both questions is no, because—while the Forest Service can't designate "wilderness" under the Wilderness Act of 1964—it is fully empowered by multiple statutes to preserve wild land as *de facto* wilderness, imposing any restrictions it sees fit. In fact, before the

Wilderness Act, Congress designated *no* national forest wilderness areas (or "primitive areas," as they were then called). It was done by the Forest Service. Nor is the agency violating NEPA. The law doesn't even require it to hold public meetings, but its environmental review has involved an unprecedented 190 public meetings around the nation—at least one in every national forest—and more are scheduled after the draft EIS is released. With the job not half over as of this writing, the Forest Service already has collected about half a million comments, the vast majority of them enthusiastic.

Critics of the proposal seem united in

Eighty percent of the nation's rivers originate in national forests, and 60 million Americans depend on national forest water. "This is where aquifer recharge occurs," says Dombeck, who likes to call the Forest Service "the largest water company in the U.S."

their notion that roadless areas require human tweaking to stay healthy. These critics see fire, insects, and microbes as threats to, not parts of, a natural forest. They fervently believe that unless humans get in there with heavy machinery and do things like salvage logging, the system will self-destruct. It's an interesting theory: Forests that sprang up in the wake of the retreating glaciers, 10,000 years before human settlement, are imperiled because they lack the roads they never had. But as Dombeck observes, roads are the greatest health risk forests face. Why, he asks, spend money building new ones when that same money could be spent on the 75 percent of national forestland that already has roads and where genuine,

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Clinton's Last Stand

road-caused problems such as erosion, declining water quality, and exotic-plant proliferation are rampant? Moreover, no reliable scientific evidence shows that logging is a method of fire prevention. In fact, most human-caused forest fires start on clearcuts because they allow sun and wind to desiccate fuels and because heavy equipment produces heat and sparks.

WHY HAS THE FOREST-products industry been so silent since its October tantrum? The President may have provided the answer himself when he noted that only 5 percent of our country's timber comes from national forests, and less than 5 percent of that 5 percent comes from roadless areas. Roadless areas don't have roads because they tend to be steep and inaccessible or because they are mostly rock and ice. If it had been cost-effective to log roadless areas, we wouldn't have any.

National forest timber has never been a major or (for the public at least) even a profitable resource. But 80 percent of the nation's rivers originate in national forests, and 60 million Americans depend on national forest water. "This is where aquifer recharge occurs," says Dombeck, who likes to call his

agency "the largest water company in the U.S." He figures that if the Forest Service were allowed to sell its water as it sells its timber, it would have an embarrassment of riches—a minimum of \$3.7 billion a year. National forests also provide the public with its single largest source of outdoor recreation. According to the Forest Service, outdoor recreation contributes 31.4 times more income to the nation's economy than logging and creates 38.1 times more jobs.

But the dollar value of roadless national forestland goes far beyond water and recreation, explains economics professor Ed Whitelaw, of the University of Oregon, who uses the term *second paycheck* to describe how local economies are stimulated by pleasant, healthful surroundings. "Workers in Chicago and Los Angeles typically earn wages 5 to 15 percent higher than they can earn in Oregon," he observes. "So why hasn't everybody moved there? Back in the 1980s the conventional wisdom was, economics equals jobs and income. Not only was the economic importance of environmentally destructive industries vastly overstated, but the economic importance of environmental quality wasn't appreciated. When most folks think of regional growth, they think, Okay, you get the jobs first and then the people follow. Fur in Hudson Bay 200 years ago. Staples—things you dig up, cut down, kill,

What You Can Do STOP A ROAD

The fate of some of our best and wildest national forestland will depend on comments made in the next few weeks. Remember, you can make a difference, especially when you engage others. Three things you can do: **1) Act locally.** To find out how many federal roadless acres are in your state, visit the Forest Service's web site: www.roadless.fs.fed.us. The most important point to be debated is whether or not our largest national forest—the Tongass, in Alaska—should be exempted from protection as demanded by Senator Frank Murkowski and Representative Don Young. **2) Make yourself heard.** Speak up at the public hearings that will be held during the spring and summer. Also, log on to the Heritage Forests Campaign web site, www.ourforests.org, where you can send an e-mail postcard to the Forest Service, get campaign updates, and volunteer. Or write the Heritage Forests Campaign, c/o The National Audubon Society, 1901 Pennsylvania Avenue NW, Suite 1100, Washington, DC 20006. **3) Tell others.** Distribute this article. For reprint permission, write to Audubon Magazine-Reprints, 700 Broadway, New York, NY 10003, e-mail us at editor@audubon.org, or fax us at 212-477-9069. Please indicate the number of copies and means of distribution.

and then export. Each of those activities generates jobs, and the workers bring families. Well, it turns out that every regional economy around the world has another mechanism: people first, jobs follow. Those areas that have the comparative advantages that attract the people first will grow."

During the spotted-owl wars—when Whitelaw's radical ideas required him to retain the services of a bodyguard—some of the same politicians now attacking the President's roadless initiative were predicting a collapse of the Northwest's economy and the loss of 100,000 jobs. Instead, the economy boomed. In an April 1999 report entitled "The Sky Did NOT Fall: The Pacific Northwest's Response to Logging Reductions," Whitelaw and his associates at ECONorthwest, his private consulting firm, made this observation: "The Pacific Northwest weathered virtually unscathed the

According to the Forest Service, outdoor recreation contributes 31.4 times more income to the nation's economy than logging and creates 38.1 times more jobs.

national economic recession that occurred at about the same time as Judge Dwyer's [spotted-owl] ruling, and both Oregon and Washington have consistently outperformed the national economy throughout the 1990s. While timber harvests fell 86 percent on federal lands and 47 percent overall from their peak in 1988 to 1996, employment in the lumber-and-wood-products industry, which constitutes the bulk of the timber industry in the Pacific Northwest, fell 22 percent. In contrast, total employment rose 27 percent."

IF ROADLESS AREAS ARE REALLY TO be protected, a few things need to happen fast: First, the President must stand up to western Republicans, something that hasn't always been easy for him. Senator Craig has strongly hinted that he'll attach a rider on an

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appropriations bill to defund the EIS process. When this happens, Mr. Clinton will have to be ready with a veto.

Second, the public will have to turn up the volume as it voices its support. This applies especially to the nation's sportsmen. A poll commissioned by the Theodore Roosevelt Conservation Alliance and conducted by Responsive Management of Harrisonburg, Virginia, shows that 83 percent of hunters and 86 percent of anglers favor keeping roads out of roadless areas. But hunters and anglers are not talking, and the same poll reveals their vulnerability to the seductions of wise-use groups: 41 percent of the hunters and 45 percent of the anglers couldn't even name the

Perhaps Mr. Clinton's motive really is to position Al Gore for the presidency. Should America remember Mr. Clinton as an environmental hero?

agency responsible for managing our national forests. "There are 50 million hunters and fishers," comments Tim Richardson, the alliance's deputy director. "They are potentially the biggest force on land-use and natural-resource issues in the country. In sheer numbers they dwarf the environmentalists. But there's an education job that's huge and an apathy tradition in recent years to overcome."

One of the problems is that sportsmen aren't getting adequate leadership from private and state game managers. No example is more outrageous than the attack on the President by the Ruffed Grouse Society, which imagines that its members will have more birds to shoot if clear-cutting is extended to roadless areas. Similar noise issues from some of the state fish and wildlife agencies, especially in the Southeast. Of all the interest groups, game managers

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should be *most* supportive of road control. But many are fighting roadless-area protection in national forests because they see it as a plot for more wilderness, a designation that would limit their employment opportunities in stocking native and alien game fish and in growing native and alien plants for deer and turkey. Moreover, their hired spokesperson—Max Peterson, the executive vice-president of the International Association of Fish and Wildlife Agencies and a former chief of the Forest Service—has labored to defeat Dombeck's crusade. The moratorium on roads was wrong, he told the House Committee on Resources, and the decision to build a road or not "cannot logically be made from the top down or by those of us within the Beltway without detailed knowledge of the area."

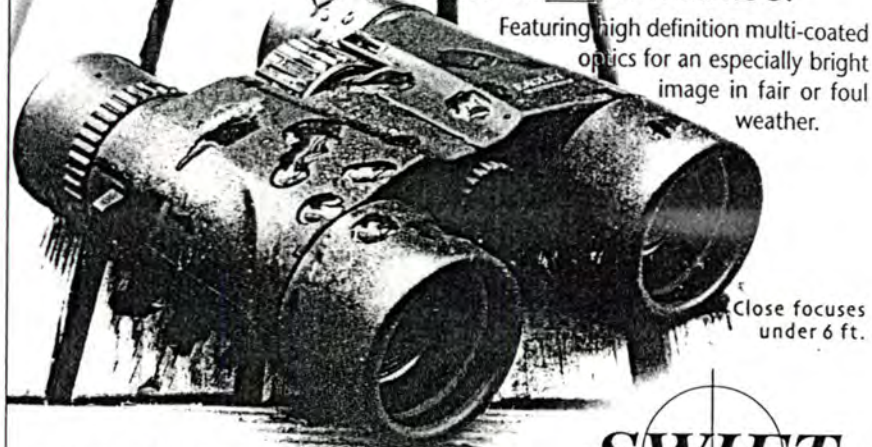
Perhaps Mr. Clinton's motive in trying to protect a quarter of our national forestland really is to position Al Gore for the presidency, and the whole proposal was Mike Dombeck's idea anyway. If the administration manages to pull it off, should America remember Mr. Clinton as an environmental hero? Yes, because history judges presidents not by motives but by accomplishments and less by initiatives they conceive than by those conceived and implemented by the people with whom they build their administrations. Much of Theodore Roosevelt's mystique, for example, issues from the policies of *his* enlightened Forest Service chief, Gifford Pinchot.

But how will Mr. Clinton be judged if he doesn't catch T.R.'s ghost—if the EIS process moves too slowly, the Democrats lose the White House, and Dombeck has to go looking for a job? Maybe the President and the nation would do well to recall these words, uttered by Theodore Roosevelt in 1899, two years before he became commander-in-chief: "Far better it is to dare mighty things, to win glorious triumphs, even though checkered by failure, than to take rank with those poor spirits who neither enjoy much nor suffer much, because they live in the gray twilight that knows not victory nor defeat." 🐾

Ted Williams grew up fishing, hiking, and camping in the White Mountains National Forest of New Hampshire.

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5-22-00

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Greek American
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gives any leverage
for northern cyprus?
TR

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In July 1989 she applied to the European Commission of Human Rights in Strasbourg filing an individual application against Turkey. She started a long complicated and difficult process, which lasted nine years. Her case went from the Commission to the Court, in 1993, as case No.40/1993/435/514. The Court, after hearing the case and rejecting all sorts of objections raised by Turkey, delivered its first judgment on 23 March 1995 and its second judgment on the 18 of December 1996.

By its judgments the European Court of Human Rights, inter alia, dismissed the objections of Turkey to the effect that the Court could not examine the application by Mrs. Loizidou. The Court held that the denial to the Applicant of access to her property in that part of Cyprus and the consequent loss of control thereof was imputable to Turkey and amounted to a continuing violation of the Applicant's property rights under Article 1 of Protocol No. 1 to the European Convention on Human Rights. The Court in fact found that the so-called "Turkish Republic of Northern Cyprus" which is not recognised by the International Community, and Law could not and did not take away or deprive, (inspite of its various "Laws" or "Rules" which it issued), the property of the Applicant, which still belongs to her. It, further, held that the Turkish Army and consequently Turkey, was directly responsible for not allowing the Applicant to enjoy her property.

Furthermore the Court in its last judgment on 28 July 1998 decided that, because of the continuous violation of the Applicant's human rights by Turkey and the consequent loss of use of her property, she was entitled to just satisfaction under Article 50 of the Convention.

The Court's award consisted of C£300.000 (about US\$600.000) in pecuniary damages C£20.000 (about US\$40.000) in non-pecuniary damages as well as the Applicant's costs and expenses in full. The deadline for payment of this amount was 28 October, 1998.

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THE CASE OF LOIZIDOU v. TURKEY

(EUROPEAN COURT OF HUMAN RIGHTS (40/1993/435/514))

Titina Loizidou comes from Kyrenia which is in the northern part of Cyprus, now in the Turkish occupied part of the island. She lived in Kyrenia until 1972 and moved to Nicosia when married intending to settle back to Kyrenia at a later stage.

The Turkish invasion in 1974 denied her access to her home town and to her property which she had inherited from her family. She tried to go back several times during the peaceful demonstrations of the movement "Women Walk Home". In the last march on 19 March 1989 the Turkish armed forces stopped her and seized her for some time.

In July 1989 she applied to the European Commission of Human Rights in Strasbourg filing an individual application against Turkey. She started a long complicated and difficult process, which lasted nine years. Her case went from the Commission to the Court, in 1993, as case No.40/1993/435/514. The Court, after hearing the case and rejecting all sorts of objections raised by Turkey, delivered its first judgment on 23 March 1995 and its second judgment on the 18 of December 1996.

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The Applicant has placed her trust in the legal system developed by the Council of Europe to ensure respect and protection of human rights for individuals. She has argued her case and obtained 3 judgments by the Court.

Nevertheless Turkey has showed no sign of intending to comply with the Court's monetary award nor has it in fact complied with the Court's judgment of 18 December 1996 so as to allow the Applicant to return to and peacefully enjoy her property in Kyrenia.

It is now up to the Committee of Ministers of the Council of Europe to ensure that judgments of the Court are enforced and the Public Order of Europe is preserved. In fact the Committee after an exchange of letters with the Turkish Government, has on 6 October 1999 adopted an Interim Resolution (DH (99) 680) which, inter alia:

"Strongly urges Turkey to review its position and to pay the just satisfaction awarded in this case in accordance with the conditions set out by the European Court of Human Rights so as to ensure that Turkey, as a High Contracting Party, meets its obligations under the Convention".

It is perhaps interesting to note what the Cyprus Country Report on Human Rights Practices for 1999 by the U. S. Department of State mentions in relation to this case:

In 1996 the European Court of Human Rights ruled 11 to 6 that Turkey committed a continuing violation of the rights of a Greek Cypriot woman by preventing her from going to her property located in north Cyprus. The ruling reaffirmed the validity of property deeds issued prior to 1974. The Court also found in this case that: "It was obvious from the large number of troops engaged in active duties in northern Cyprus that the Turkish army exercised effective overall control there. In the circumstances of the case, this entailed Turkey's responsibility for the policies and actions of the 'TRNC'". In July 1998 the Court ordered Turkey to pay the woman approximately \$915,000 in damages and costs by October 28, 1998. The Turkish Government stated that it cannot implement the Court's decision, which it contends is a political decision, and argued that the land in question is not Turkish but is part of the "Turkish Republic of Northern Cyprus". The Council of Europe (COE) during 1999 continued to call on the Turkish Government to comply with the Court's decision. In October the COE Committee of Ministers' Deputies voted to deplore Turkey's lack of compliance. A number of similar cases have been filed with the ECHR.

Nicosia 2 May 2000

N.B. For further information you may visit the following homepages:

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Washington, DC, 17 May 2000

MAIN POINTS ACHILLEAS DEMETRIADES

LOIZIDOU V. TURKEY

JUDGMENT BY EUROPEAN COURT OF HUMAN RIGHTS 28 July 1998

PROCEDURE: Article 25
COMMISSION

- Right of Individual Petition- 22.7.89
- Geographical limitation/Reservations
- Decision on Admissibility

DECISION:
COURT

- Decision on Preliminary Objections- 23.3.95
- Abuse of procedure
- Turkey's Role

COURT

- Decision on Merits - 18.12.96
- Recognition of validity of title deeds
- Large presence of Army which results in effective control
- Turkey's responsibility for "TRNC" by virtue of non recognition - Subordinate local administration
- Continuing violation of right to property

COURT

- Decision on Compensation (Art.50) - 28.7.98
- Just satisfaction - loss of use £300.000
- Moral damages - £20.000
- Costs - Interest 8%

FUTURE: Article 54

- Procedure before Committee of Ministers
- Supervision of enforcement
- Interim Resolution 6.10.99
- Payment - Individual/General measures
- Economic aspect - Political cost

IMPORTANCE:

- Need to plan - All must apply
- Priorities
- Turkish Army
- Fenced up area of Famagusta
- Economic interests - All others

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Ουάσιγκτον, 17 Μαΐου 2000

ΚΥΡΙΑ ΣΗΜΕΙΑ ΟΜΙΛΙΑΣ

ΑΧΙΛΛΕΑ ΔΗΜΗΤΡΙΑΔΗ

ΛΟΙΖΙΔΟΥ V. ΤΟΥΡΚΙΑΣ

ΑΠΟΦΑΣΗ Ε.Δ.Α.Δ. 28 Ιουλίου 1998

ΔΙΑΔΙΚΑΣΙΑ: Άρθρο 25 - Δικαίωμα Ατομικής Προσφυγής - 22.7.89
Ε.Ε.Α.Δ. - Γεωγραφικοί Περιορισμοί της Τουρκίας
- Απόφαση για Δεκτικότητα

ΑΠΟΦΑΣΕΙΣ:

Ε.Δ.Α.Δ. - Απόφαση στα προδικαστικά - 23.3.95
- Κατάχρηση εξουσίας
- Ρόλος Τουρκίας

Ε.Δ.Α.Δ. - Απόφαση επί της ουσίας - 18.12.96
- Αναγνώριση Τίτλων Ιδιοκτησίας
Παρουσία Στρατού - Ουσιαστικός Έλεγχος
- Ευθύνη της Τουρκίας για "ΤΔΒΚ"
Μη αναγνώριση της "ΤΔΒΚ" - Υποτελής Τοπική Διοίκηση
- Συνεχιζόμενη Παραβίαση Ανθρωπίνων Δικαιωμάτων

Ε.Δ.Α.Δ. - Απόφαση για Άρθρο 50 Αποζημιώσεις - 28.7.98
- Δίκαιη Ικανοποίηση για Απώλεια Χρήσης £300,000
- Ηθικές Αποζημιώσεις £20,000

ΜΕΛΛΟΝ: Άρθρο 54 - Διαδικασία ενώπιον Επιτροπής Υπουργών
- Επόπτευση εφαρμογής
- Ενδιάμεσο ψήφισμα 6.10.99
- Αποπληρωμή απόφασης. Ατομικά - Γενικά μέτρα
- Οικονομική πλευρά - Πολιτικό κόστος

ΣΗΜΑΣΙΑ ΤΗΣ ΑΠΟΦΑΣΗΣ:

- Μεθόδευση άλλων προσφυγών - Όλοι πρέπει να προσφύγουν
Ιεράρχηση προτεραιοτήτων
Τουρκικός Στρατός
Περιφραγμένη Πόλη Αμμοχώστου
Οικονομικές δυνάμεις - Όλοι οι άλλοι

THE PRESIDENT HAS FOR

5-22-00

THE WHITE HOUSE
WASHINGTON

May 15, 2000

Reed

Mr. President,

I've enclosed a column about Gov. Gray Davis' proposal for tax credits for teachers. I think it's an idea that's worth exploring. There is an acute shortage of teachers, especially in the inner cities, that will only get worse; massive turnover is predicted. The best young people are flocking to the new economy and not to public service or teaching. There will be additional federal surpluses, so I believe that we could afford such a tax credit at the federal level. We could tie it to raising standards. The policy would have the additional benefit of cornering Bush and the Republicans on education and tax cuts.

Ord

*I'm eager to speak
with you whenever you
have time.*

*copied
Reed
Podesta*

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Davis Goes From Troublemaker to Teacher's Pet

By GEORGE SKELTON

California State Politics

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SACRAMENTO--Right up front, I'll confess to a conflict: My wife is a high school teacher. One daughter is an elementary teacher.

A close friend since college also teaches. So does his wife.

You get the idea: I can't go home, sit down to a Christmas dinner or chase a golf ball without hearing about education. About administration blather, a ramshackle classroom or the latest misguided "reform." Or an outstanding student who just won a big scholarship or merely said something witty.

I see firsthand the late night paper grading--and hear the phone calls to alert some inattentive parent, or arrange speech practice with a star student after school.

Sure, there are long (unpaid) vacations, decent health care and an excellent pension plan. But the job stinks--unless you really, deep down, love the kids and feel a mission to help them learn. If not, you probably won't last and shouldn't.

You might have the calling, energy and skills and still bail out because the pay borders on insulting for a professional with five or more years college: \$48,000 average, ranging from roughly \$28,000 for beginners to about \$60,000 for long-timers with master's degrees.

One-third of teachers quit within five years; 300,000 new ones will be needed this decade.

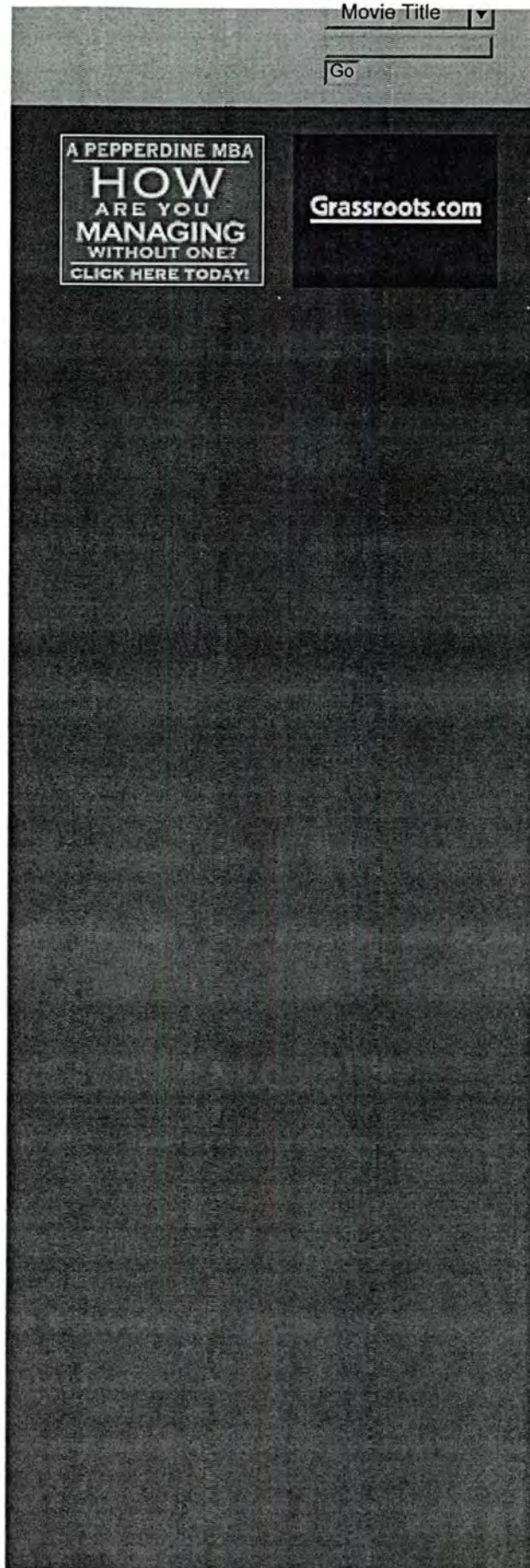
That's why Gov. Gray Davis' proposal Saturday was so intriguing--indeed bold for a governor not known for boldness.

"Like, where in the hell did that come from?" asked Assembly Republican Leader Scott Baugh of Huntington Beach.

* * *

Davis' controversial idea is to exempt all K-12 teachers from paying the state income tax on their public school salaries.

Tax-free income. Sounds better than it is. The state tax break would range from \$500 to \$1,350, depending on the pay scale--the equivalent of 1.5% to 3% raises. Figure at least 15% of it going to the feds because there'd be less to deduct on the federal tax form.



tax form.

But the boost to teacher morale would be incalculable.

"This will send a clarion call across America that California truly values its teachers," Davis told reporters.

Answering Baugh's question, Davis said the idea, in essence, came from a Republican president: Dwight D. Eisenhower. With Sputnik circling the globe in 1957 and Americans fearing Soviet technological superiority, Ike proposed free, federally funded college educations for engineering majors.

"He said there's no profession more valuable to our national security than being an engineer," Davis recalled. "I say in the year 2000 there's no profession more valuable to America's economic and national security than teaching. . . .

"If you teach in California, we're going to reward you in a way we reward no other profession."

The first person I told was my wife. She just shrugged. "It'll never pass," she said.

Teachers tend to be realists, even if they do inspire students to follow their dreams.

* * *

"It just smacks of a political payoff," asserted GOP leader Baugh, alluding to the \$2 mil-

lion-plus that the California Teachers Assn. spent helping Davis get elected in 1998. "To give teachers special tax treatment is wrong."

Myself, I've always questioned the special tax treatment we give people just because they produce a lot of babies--babies who soon clog classrooms.

For Davis' proposal to pass, Republican support will be needed. But that's not his biggest problem. It's fellow Democrats.

"It sets a very bad precedent," said liberal Senate leader John Burton (D-San Francisco). "Why not firefighters? Cops? Social workers? If you want to do something for teachers, increase their base pay."

Good idea. Take the \$500-million cost of the tax exemption and pour it into salary hikes. Not as glitzy, but it's still money--and helps pay for some classroom supplies teachers must buy.

New Assembly Speaker Bob Hertzberg (D-Sherman Oaks), a Davis centrist, just sort of gulped. "Look, we pay 'em nothing and treat 'em horribly, so we've got to do something to create an environment that attracts teachers," Hertzberg said. "But I'm concerned about the policy implications. My instinct is it doesn't have a lot of trajectory."

Regardless, CTA President Wayne Johnson was "real impressed." Like many teachers, he had been furious with Davis in recent months.

"The guy is taking a chance here and showing real leadership," Johnson said. "Teachers will take it as a sign of respect. There will be genuine appreciation. It will help him immensely."

So Davis not only has displayed imagination in public policy, but once again finesse in politics. The teachers' villain could become their hero. At least, that's what my focus group shows.

Search the archives of the Los Angeles Times for similar stories about: [Gray Davis](#), [Income Tax - California](#), [Tax Exemptions](#), [Teachers - California](#), [California - Education](#).

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May 11, 2000

To President Bill Clinton

On your upcoming visit to Nigeria I encourage you to compliment President Olusegun Obasanjo for his support for the eradication of Guinea worm disease in Nigeria. The program enjoyed a 98 percent reduction in cases from 1988-1995. For the first quarter of this year there has been a reduction in the number of Guinea worm cases of 14 percent over the same period last year in large part due to the support of President Obasanjo.

I hope you will praise President Obasanjo on this and urge him to maintain his commitment to the program to ensure its continued success.

Sincerely,

Jimmy Carter

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

5-22-00

Send to OSC ✓

Yes ✓

No _____

THE WHITE HOUSE
WASHINGTON

May 20, 2000

INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM: SAMUEL BERGER
NEAL LANE

SUBJECT: President Mbeki's Controversial Views on AIDS

You will receive a separate memo for the Mbeki State Visit. We do not believe it would be productive at this time to debate Mbeki on the science of AIDS, and prefer to engage him on what South Africa and the United States can do now to combat the disease. However, because he may raise some of his scientific concerns, we are providing additional information on the controversies surrounding his views on the scientific dimensions of AIDS prevention and treatment.

Background

President Mbeki sparked a major scientific and political furor by questioning the link between HIV and AIDS and the safety of the anti-AIDS drug, AZT. Mbeki's views -- which are not shared by most of his own health and scientific advisors -- could potentially undermine South Africa's otherwise constructive anti-AIDS campaign. His views on the safety of AZT could have a deadly impact, in part because they have prevented government clinics from using AZT to prevent mother-to-child transmission.

Mbeki's positions are based on a complex mix of realistic concern about the impact and cost of AIDS in Africa, a questioning mind, a basic distrust of the Western pharmaceutical industry, and poor advice. In the search for answers to his questions, he convened an international advisory panel on AIDS research in Pretoria two weeks ago. Unfortunately, the panel included almost equal numbers of reputable virologists and so-called "dissidents" who question the causal relationship between HIV and AIDS. Mbeki is unlikely to resolve his concerns until he receives the panel's report next month, but the report is not expected to reflect a consensus.

cc: Vice President
Chief of StaffCopied
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The Scientific Facts

5-22-00

HIV causes AIDS. Concerns about the causal relationship between HIV and AIDS have been evaluated over the past 15 years, and the result is clear. Dissident views have not been suppressed - they have simply not convinced the scientific community. Key scientific findings are:

- HIV infection and AIDS are invariably linked in time, place, and population group.
- HIV can be found in virtually all those with AIDS, and HIV infection almost invariably leads to AIDS.
- The characteristic immune system deficiency typical of AIDS is extraordinarily rare in the absence of HIV infection.

Two simple treatments -- AZT and Nevirapine -- can help prevent mother-to-child transmission of HIV and are safe and effective in Africans.

- AZT. Studies in rural Thailand and Africa show that taking AZT twice per day during the last month of pregnancy can reduce transmission by up to 40 percent. Side effects occur but are minimal and reversible at these limited doses. Contrary to Mbeki's assertions, an AZT regimen does not require daily supervision and can be carried out safely in rural areas.
- Nevirapine. A single dose of Nevirapine for the mother during labor and for the infant within 48 hours of birth reduces mother-to-child-transmission by 40%, according to a major study in Uganda. Nevirapine's simplicity and low cost -- \$4 per birth -- makes it a critical weapon against AIDS in developing countries. (Note: Several adults on three anti-AIDS drugs, including Nevirapine, have died, but no such problems have been seen in infants or mothers.)

AIDS is not fundamentally different in Africa. Distinct strains of HIV are found in different regions of the world. Strain B is most common in the U.S. and Western Europe, while strain C is most common in Africa and India. However, the difference in strains does not cause differences in the actual manifestations of the disease, its modes of transmission, or the impact of drug treatment:

- All strains, not just those found in Africa, can be spread through heterosexual contact.

- All strains are found to be equally susceptible to anti-AIDS drugs like AZT.
- In the U.S., as in Africa, AIDS is now spreading most rapidly among heterosexuals.
- AIDS spreads particularly rapidly in Africa through heterosexual contact because of factors such as the high incidence of sexually transmitted diseases.
- In the context of poverty and poor health services, the disease may have a more severe impact. For example, Africans with AIDS are more likely to die of other deadly diseases, which go undiagnosed and untreated, such as TB.

5-22-00
Dear Mr. President Clinton,

*to
the
President*

Hello sir how are you doing? My name is Sharleen Yanez I am eleven years old and in the sixth grade. I go to school at Walter Knott Elementary in Buena Park California. My favorite hobbies are Music & Art, I like to draw and make pictures of things that I like. I also play the saxophone with the other children from our district. Although its been very hard to attend because in February of 1999 I was diagnosed with All (Acute Lymphocytic Leukemia). I have had a lot of treatment and have been in and out of the hospital, which has been very hard for me to attend school or my music class. I met some really nice people from the Make a Wish Foundation and they came over to my home to grant me a wish. I wanted to do something that I really liked so I chose something where I can play my instrument. I know you also play the saxophone, so I would like to have the opportunity and it would make me really happy to be able to play some notes or a song with you. I hope to hear from you or the Make a Wish Foundation soon, it would truly be my wish come true. Take Care and Thank you for your time.

Sincerely,

Sharleen R. Yanez

5-22-00

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

card

5-22-00

CAROLYN Y. STALEY

7817 Falstaff Road
McLean, VA 22102

Wm

May 16, 2000

The President
The White House
1600 Pennsylvania Ave. NW
Washington, DC 20500-2000

Dear Mr. President:

I hope you are very well! Thanks for your show of support for the Million Mom's March. What a great day.

David called this morning and we are looking forward to an opportunity to visit tomorrow, and I know you will enjoy time together. We are so happy to have Will home for a week before he begins summer classes, and he and Thaddeus will enjoy trading college tales.

The attached letter is from my friend Denton Lotz, General Secretary of the Baptist World Alliance, and son-in-law of the Rev. Billy Graham. Denton's letter expresses his and the Ukrainian Baptist's hope that you will include a visit to the First Baptist Church of Kiev, or make time to visit with some Ukrainian Baptist leaders while you are there in early June. This would mean a great deal to them as they continue to work to strengthen their leadership and presence there, and for religious freedom in general. I know you will do what you can to help.

I was pleased to relate to Denton the story you shared with me after you had dinner with Yeltsin at his dacha in January 1994, and his question to you about being a Christian and the dilemma he faced with the democratization of Russia and freedom to worship. I recall you told him that your faith did indeed mean a great deal to you, and that he should not try to control religion and told him, "Either you're free or you're not." Who knows what that exchange did to help keep the doors of religious freedom open in Russia?

All best to you and yours.

Sincerely,


Carolyn Staley

TO NSC

cc: EUGENIE FOR
REPLY / COORD.
w/ NSC

5-22-00



BAPTIST WORLD ALLIANCE

6733 Curran Street, McLean, VA 22101-6005, USA
Telephone: +1-703-790-8980 • Fax: +1-703-893-5160
Email: BWA@bwanet.org

Denton Lotz, Dr. theol.
General Secretary

May 2, 2000

Ms. Carolyn Staley
Deputy Director
National Institute for Literacy
1775 I Street, NW, Suite 730
Washington, DC 20006

Dear Carolyn:

Many greetings from the Baptist World Alliance. Thank you again for your encouragement and support. Please find enclosed a letter from Dr. Gregory Komendant, president of the Baptist Union of the Ukraine. It would be a great encouragement for religious freedom if President Clinton could visit our Baptist constituency there, either in church or just for a ten minute meeting with the leaders.

Anything you can do to encourage the President to visit our Baptist headquarters or churches in the Ukraine would be greatly appreciated. Thank you and God bless you.

Yours faithfully in Christ,


Denton Lotz
General Secretary

*Sandy
fyi - is there
anything? sure!*
BC



ВСЕУКРАЇНСЬКИЙ СОЮЗ ОБ'ЄДНАНЬ ЄВАНГЕЛЬСЬКИХ ХРИСТІЯН БАПТИСТІВ

ALL-UKRAINIAN UNION OF ASSOCIATIONS OF EVANGELICAL
CHRISTIANS-BAPTISTS

252004, Київ-4
вул. Л.Толстого, 3-А
тел: (044) 224-8241
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252004, 3-А Tolstoy Str.
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Президент
Комедант
Григорій
Іванович

FAX TO: Denton Lotz, fax: 703-893-51 60

FROM: G.Komendant, V. Kulbich, Baptist Union of Ukraine

DATE: May 1, 2000

Перший Заступник
Ткачук
Віталій
Дмитрович

Dear Denton,

Заступник
Кульбич
Віктор
Костянтинівич

Greetings to you in the Name of our Risen Savior Jesus Christ!

Заступник
М.М.М.
Володимир
Миколайович

We are grateful to God for His blessings and mercy in giving us the possibility to spread the Gospel freely, so every person could hear the Word of Grace which is in our Christ.

Помічник з
адміністративних
питань
Андрашко
Михайло
Михайлович

On June 6, 2000, United States President Bill Clinton will be visiting Kiev, Ukraine. We would like to request that the Baptist World Alliance and Dr. Billy Graham assist us in issuing an invitation to President Clinton to visit the First Baptist Church in Kiev. If a visit to the church is not possible, we would like to extend an invitation to the President to meet with the Baptist Union Leadership.

The purpose of this meeting is important in affirming and building up the authority and influence of the Baptist churches in post-soviet and Orthodox environment. Thankful in advance.

With Christ's love,

G. Komendant

Gregory Komendant
President of AUUAECB



V. Kulbich

Victor Kulbich
General Secretary of AUUAECB

Southwest Institute of Space Research

00 MAY 22 PM 1:09

Carolyn

5204 Maris Avenue
Alexandria, VA 22304
wchambless@aol.com

Fax Transmittal Form

To

Ms. Bettie Currie
Personal Secretary to The President
The White House
Voice: 202.456.7820
Fax: 202.456.1210

From

Buddy Chambless
Day: 202.832.6681
Home: 703.566.5442
Hdq Email: ahale@nmsu.edu

- ☐ Urgent
☐ For Review
☐ Please Comment
☐ Please Reply

Date sent: May 22, 2000
Time sent: 10:50 a.m.
Number of pages including cover page: 24

Message:

Dear Ms. Currie

Thank you for ensuring that this requested information gets to the President's attention. We greatly appreciate your assistance. There is a cover letter and two attachments that should give him an accurate overview of the forthcoming scientific expedition and educational conference in Esfahan, Iran. Also, is an overview of the trip and personal comments from people who planned, attended and implemented this expedition — from both the US and Iran.

It is our greatest hope to be able to meet personally with President Clinton to discuss the issues covered in this document. You may reach me during the day at 202.832.6681 or at my home office number 703.566.5442

My direct email is <wchambless@aol.com>

Again, thanks so very much for your support and attention to this matter.

Buddy Chambless
Buddy Chambless

5-22-00
Send to USC?
Yes ☒
No ☐

cc NAME ☒ cul

SOUTHWEST INSTITUTE FOR SPACE RESEARCH

**WASHINGTON, DC OFFICE
5204 MARIS AVENUE
ALEXANDRIA, VIRGINIA 22304
703.566.5442 • WCHAMBLESS@AOL.COM**

May 22, 2000

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

Dear Mr. President:

Thank you for requesting information on Dr. Alan Hale's second scientific expedition to Iran. Approximate departure date is July 20th. We appreciate your desire to peaceful relations between the people of the US and Iran and sincerely hope that we can meet with you personally to discuss several aspects of this trip.

Last August, Apollo 9 Lunar Module Pilot, Rusty Schweickart and 10 other private citizens joined Dr. Hale, Director of the Southwest Institute of Space Research and Co-discoverer of Comet Hale-Bopp to view the last major solar eclipse of the Millennium. The trip was so successful; Dr. Hale has been invited to return to Iran again this July, by Alireza Mehrani, Esfahan Municipality, Emam Hosein Sq, Esfahan, Iran. It was this upcoming trip that we discussed at Foundry UMC last Sunday.

WHY TRAVEL TO IRAN

Many who asked why we traveled to Iran for the first trip, are now wondering why Dr. Hale would chose to lead a second group. Iran has excellent weather conditions for obtaining astronomical observations, and in this context was the best place on Earth for viewing last summer's eclipse. Meanwhile, a new opportunity for scientific collaboration has been provided by the discovery of a comet last fall by the Lincoln Near-Earth Asteroid Research (LINEAR) program in New Mexico. This comet will pass 35 million miles from Earth in late July and has the potential to become a moderate bright naked-eye object.

**HEADQUARTERS: 15 E. SPUR ROAD • CLOUDCROFT, NM • 88317
PHONE/FAX: 505.667.2075 • AHALE@NMSU.EDU**

President Clinton
Hale/Iran Astronomical Expedition
Page 2

In order to celebrate this comet's appearance, the Adib Teaching Center of Astronomy in Esfahan, of which Mr. Mehrani is also associated, is hosting an international scientific conference on comets that will allow interaction between comet astronomers in Iran and their counterparts elsewhere in the world, especially including those in the U.S. (SEE ATTACHEMENT A) letter from Alireza Mehrani, Esfahan Municipality.

WHAT OTHERS HAVE TO SAY ABOUT THIS TRIP

"Scientific exchange is most effective in US-Iran normalization for two reasons: First, because there could no abuse of these ventures in domestic politics of either States. Second, because it introduces the best feature of the American civilizations to Iran" -- *Mohammad Mahallati, Former Iranian ambassador to United Nations, Professor of International Relations*

"Search for Common Ground was extraordinarily pleased to have been a partner in the 1999 astronomical expedition to Iran that was led by Alan Hale, and we look forward to continuing to play a role in 2000. We believe that Alan's work makes a real difference in building bridges between Iran and the US, and we urge others to provide support." -- *John Marks, President of Search for Common Ground*

"If the orbit of the Moon and the Earth . . . had an eclipse every month, we could be the witness of more negotiations and friendship in the world!!!"
-- *Alireza Mehrani, Adib Center and Financial Officer for Eshfahan*

A DEEPLY PERSONAL OBSERVATION

Dr. Hale shared something that happened during the 7-hour flight from London to Dubai on the flight over last year. "I was sharing a row with a 6-year-old girl from Karachi, Pakistan, named Amn Khan, whose mother and sister were sitting behind me. Despite the fact that I'm a strange man from a strange country, Amn trusted me and had no difficulty falling asleep while resting her head against my shoulder.

While watching her sleep I couldn't help thinking of my own two sons, back in the U.S. My hopes then and, for the upcoming trip in July, is that our work will create better trust between the peoples of our planet, and in so doing make the world a better and safer place for Amn, and for Zachary and Tyler, and for all the children of the world who are our future."

President Clinton
Hale/Iran Astronomical Expedition
Page 3

Mr. President, I have attached a summary of journal entries and media coverage from Iranians and Americans reflecting on the interpersonal relations between the people of our two great nations. (You may wish to access the web page at the Southwest Institute of Space Research at <http://www.swisr.org/iranecclipse.html>)

While last year's trip was more of a stroke of good luck coupled with the fortunate timing of a major astronomical event, the invitation for Dr. Hale to bring as many as 30 persons to be the guests of the Adib Teaching Center of Astronomy in Esfahan is the direct result of people meeting people as equals. Knowing your personal dedication to international peace efforts and, on a more personal level, the spiritual lessons we both receive from Dr. Wogaman's teachings, I hope that you will see the great potential of this trip.

Our group and our journey are totally nongovernmental. However, those who will return, plus those like me making our first journey this year, want to know what we may do as individuals from a person-to-person perspective. We want to make this trip a success not only from a scientific sense, but also from our ability to help build bridges to reconnect the people of the world in peace and harmony.

We had members from Search for Common Ground – who is again spearheading our travel arrangements, NASA SOHO Scientists, Family Attorneys, Astronauts, spouses and most interestingly . . . a young 16 year old female student from New Jersey. She aspires to be a scientist in the field of astronomy. (Dr. Hale and the Institute subscribe to the vital necessity of encouraging women and minorities to become interested in and enter this field of study.) We anticipate an equally diverse representation this year.

We have endorsements from John Marks, President of Search for Common Ground, Gary Sick, Gulf 2000 at Columbia University and Shahriar Afshar, Executive Director of the Iran Trade Association. In addition, Mohammed Mahallati, Former UN Ambassador from Iran, is most supportive. And, Alireza Mehrani, Financial Officer for the City of Esfahan, is the driving force this year. Our support is diverse and strong.

PUBLIC SCIENCE EDUCATION

Public science education is our second component. I have discussed our trip with Secretary of Education Riley and will meet with Linda Rosen, the Director of Math/Science Programs. Dennis Wholey, Host and Executive Director of the PBS program, "This is America" and I have discussed how this expedition and relations between the people of the US and Iran can form the basis for a program on his weekly series broadcast around the world.

President Clinton
Hale/Iran Astronomical Expedition
Page 4

Dr. Hale has met with the Director of the Education Department at The Space Center in Alamogordo, and a high school planetarium director in Cleveland. Both of these professionals have expressed interest in participating as a part of this summer's delegation. We have national interest from education and media that can benefit our great nation in a most positive manner. I believe that among peace efforts, science education and promotion of women and minorities in science, you will find a component of great interest to you and your administration's continuing success.

And finally, Mr. President, we want to ensure that we are serving our country in the most positive manner. I sincerely trust that you will be able to reserve at least 30 minutes to 1 hour for Dr. Hale and me to meet with you before we depart. (Approximately July 20th.)

Again, please accept my sincere thanks and appreciation to you for your interest, and for the leadership and positive growth you have brought to our country during your terms as President. I look forward to hearing from Ms. Currie soon, arranging a time for our visit.

Warm best wishes,

Buddy Chambless

William H. Chambless
Development Officer
Attachments

ATTACHMENT A

Mehrani Letter

Page 1

Date: 5/21/00 12:59:39 PM Eastern Daylight Time

From: amehrani@hotmail.com (Alireza Mehrani)

To: ahale@nmsu.edu, chiayk@singnet.com.sg, naze@astro.ulg.ac.be, jarshadi@yahoo.com, arpearce@ozemail.com.au, buckesq@earthlink.net, csm@encke.jpl.nasa.gov, doug@sungrazer.nascom.nasa.gov, frtkal@aol.com, green@cfa.harvard.edu, hermanheyn@hotmail.com, jtaylor@asce.org, kennhitch@zianet.com, ldoyle@seti.org, loomberah@ozemail.com.au, rosin@west.net, sedberg@jpl.nasa.gov, stephanielester@att.net, bill_nunnelee@email.msn.com, ERiedel@compuserve.com, Efais@skandia.com, franky97@msn.com, fschaaf@aol.com, ggoodman@haascnc.com, bigjay0011@excite.com, kbachman@bsc.edu, lrobinson@skypub.com, north_carolina_stargazer@email.msn.com, odeh@jas.org.jo, mohamadi@succ.shirazu.ac.ir, fvas@home.com, vladan@phy.bg.ac.yu, r.emery@westview.leeds.co.uk, c.cecotti@ud.nettuno.it

CC: WChambless@aol.com, amehrani@hotmail.com, sheen@sfcg.org

According to the initial predictions, in the end of July this year, the comet Linear C/1999 S/4 will reach to its highest brightness estimated +3.6 m. Adib Astronomical Society belonging of Esfahan Municipality intends to establish the first gathering of Iranian amateur astronomy group in Esfahan on the occasion and simultaneous with this astronomical event.

Aims of the gathering

- Distribution of astronomy among the people through speeches and exhibition
- Being aware of the latest achievements on astronomy through speeches of foreign and local guests
- Getting specific information on Comets
- Acquaintance of Iranian astronomy groups of the activities of each other

Schedule

After several month negotiations with Dr. Alan Hale about the schedule, the time was decided to be on July 20-26. The main frames of the programs are as follows:

- July 19th: Arrival of the guests
- July 20-23:
 - Mornings speeches on technical issues
 - Afternoons visiting programs
 - Nights general speeches
- July 24th: Visiting Khansar and Zayandeh Rud Dom and departure for Shiraz
- July 25th: Visiting Perspolis and Pasargad
- July 26th: Visiting Shiraz & departure for Tehran
- July 27th: Departure to the home countries

Note: Visiting Shiraz is only for the foreign guests.

ATTACHMENT A

Mehrani Letter

Page 2

Costs

Esfahan Municipality will be in charge of the local costs for the foreign guests (transportation, stay, accommodation) during their visit in Iran.

Foreign guests

After negotiations with some of the friends in different countries, so far the following people have announced their participation:

1. Dr. Alan Hale, U.S.A.
2. Dr. Douglas Biesecker, U.S.A.
3. Dr. Charles S. Morris, (The Jet Propulsion Laboratory on Earth satellites), U.S.A.
4. Dr. Yael Naze, Belgium
5. Dr. Francesco Lo Bue, Belgium
6. Dr. Vladan Celebonovic, Yugoslavia

Local guest

Adib Astronomical Society (AAS) has invited all the local amateur astronomy groups to introduce at least two representatives and participate in the arrangement of the exhibition.

The groups are as follows:

1. Shera Astronomical Society from Kerman shah
2. Shiraz Astronomical Society from Shiraz
3. Ghamari Nezuad Astronomical Society from Zanzan
4. Najma Astronomical Society from Gonbad
5. Women Amateur Astronomers from Ghaem Shahr
6. Women Amateur Astronomers from Gorgan
7. Astronomical Society of Osve School from Tehran
8. Astronomical Society of Sharif Technical University from Tehran
9. Hashemi Nezuad Astronomical Society from Sabzevar
10. Noor Astronomical Society from Ghom
11. Barsavosh Astronomical Society from Tehran
12. Astronomical Society of Enghelab Eslami School from Ghader Abad
13. Ebn_Heisam Astronomical Society from Sanandj
14. Saadat Shahr Astronomical Society from Fars
15. Astronomical Society of Taleghani School from Ahvaz
16. Khaje_Nasir_Al_Din Toosi Astronomical Society from Amol

Some professors from the local Universities whose names will be announced later will also participate.

ATTACHMENT A

Mehrani Letter

Page 3

General speeches

1. The solar system (Yael Naze & Francesco Lo Bue)

Technical speeches

1. High energy astrophysics (X-ray and gamma rays), (Yael Naze)

We still look forward to receiving the viewpoints of other friends whom we have invited to participate in the gathering. We also ask the guests who have announced their participation to introduce the topics of their speeches (general & technical).

We are ready to answer your questions via the amehrani@hotmail.com E-mail address, and hope all the guests to have a good memory during their trip to Iran and Esfahan.

Sincerely,

Alireza

Alireza Mehrani
Accounting Office,
Esfahan Municipality,
Emam Hosein Sq
Postal code: 81454
Esfahan, Iran
Home page: <http://www.geocities.com/capecanaveral/runway/5876>

HALE ASTRONOMICAL EXPEDITION BRIDGES HUMAN RELATIONS BETWEEN IRANIAN & AMERICAN PEOPLE

"If man does not move from where he lives, he may not have the possibility of observing more than one/two total eclipse phenomena during his lifetime. My friends and I are very tired because of our many activities during the last months, but I feel observing this phenomenon is so worthy for which being tired is quite trivial a matter."

....from reports of the 8/11/99 Total Eclipse in Esfahan.....by Alireza Mehrani, Financial Officer for the City of Esfahan



On 11 August 1999 a total solar eclipse occurred that was visible in Europe, the Middle East, and India. **Iran was one of the best places to view this enchanting celestial event.** Here are Stacy Heen, Search for Common Ground, and Alan Hale, Expedition Director, in Iran surrounded by little children, anxious to meet *the Americans*. It is scenes such as these for which the funding for Expedition 2000 will be responsible, for generations to come. This picture captures the essence of the trips and your support will ensure continuing success.

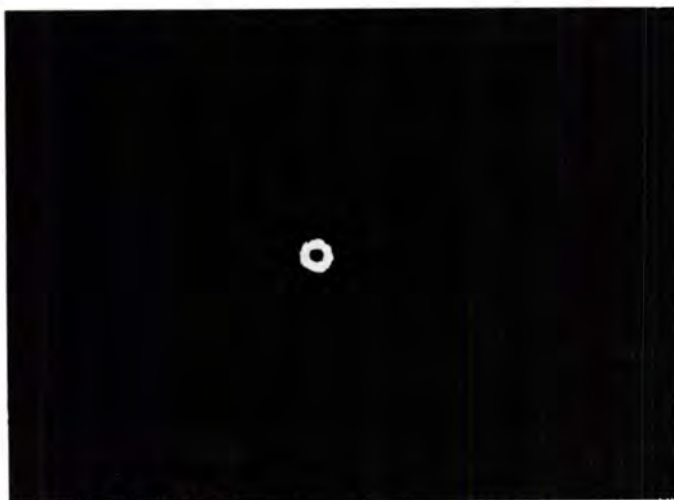
BACKGROUND - EXPDITION '99

Zirakzadeh Science Foundation, a nongovernmental science center in Iran invited Dr. Alan Hale, Executive Director of the Southwest Institute of Space Research and Co-Discoverer of Comet Hale-Bopp, to lead a nongovernmental delegation of scientists and science enthusiasts to observe and participate in the last major solar eclipse of the Millennium as their guests in Iran. Besides visiting Iranian cities of Tehran, Zanjan, Hamadan, Kermanshah, Khorramabad, Esfahan, and Shiraz, the group watched the total solar eclipse in the resort town of Chadegan, near Esfahan. Thus started a journey that is now becoming an annual event for Dr. Hale and the Institute, and more importantly, one that strengthens the relations between people not only in the US and Iran, but with people around the world.

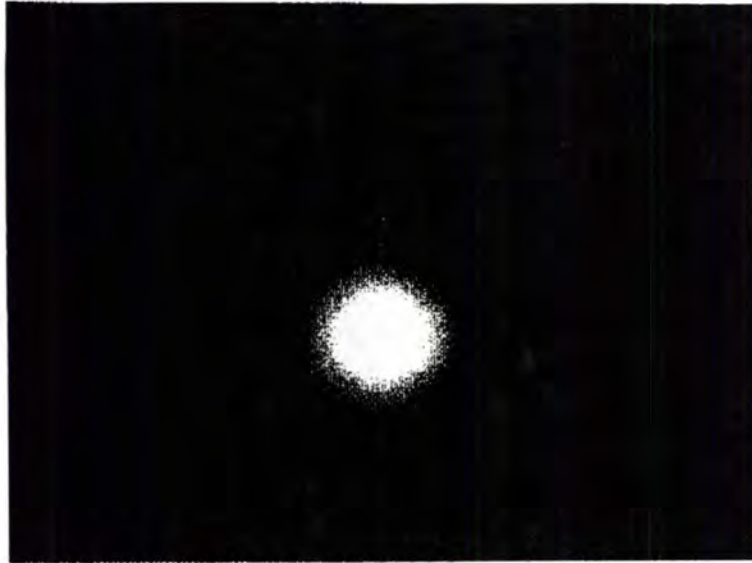
The following dialogue is edited from the daily reports from members of the Hale Astronomical Expedition to Iran. While there are still differences between the two nations, you will see that individual people are very much in favor of finding ways to heal the hurt and the damage of the past. It is through some of these comments that you will more readily understand the great importance of funding this second Expedition in 2000. Not only will scientists and students study the Comet, but once again, people-to-people interaction will be a priority. It is this healing and this interaction that will reopen the doors to full commerce between our two countries.

August 11, 1999 – by Alan Hale

As far as I'm concerned, today's eclipse was the icing on what has been a very successful trip. We came here not only to view the eclipse, but to have people-to-people interactions with the citizens of Iran, and that we did! Let me share the following three incidents that have all happened within the past 24 hours:



Two poignant shots of the eclipse in its totality



Yesterday evening I was talking with Ali Parsa (from the Zirakzadeh Foundation) in the huge, sprawling, congested bazaar in downtown Esfahan (which has been described as the "mother of all bazaars"). An Iranian family walking by recognized me -- don't ask me how -- and the father asked me the following: "Do the American people know that the people of Iran like Americans?"

Later that night we were eating at a restaurant in Esfahan and I was walking by a table around which were seated a group of young men who seemed to be in their late teen or early 20s. One of the young men stopped me and said "After 20 years it's great to have Americans back in Iran again!"

And finally at lunch today an Iranian man told me "I want you to know that I like Americans; the Iranian people like Americans . . . very much."

As I've indicated in my earlier updates, the Iranians' reception toward us has been extremely warm and friendly, and many of them have gone out of their way to be as accommodating to us as they can. All of us have felt very welcome here, and our experiences suggest that the attitudes expressed by the three people I quoted above are indicative of the attitudes throughout Iran. So America, are you listening?

August 11, 1999 -- by Doug Biesecker

Iran and the Iranian people continue to amaze me. We are getting a wonderful reception everywhere we go. Last night, Sunday, we arrived in Khorramabad at 4:55 P.M. A delegation from the University of Lorestan was at the hotel waiting for us to get us to the University to give lectures at 5:00 P.M. We didn't even know that we were supposed to speak last night.

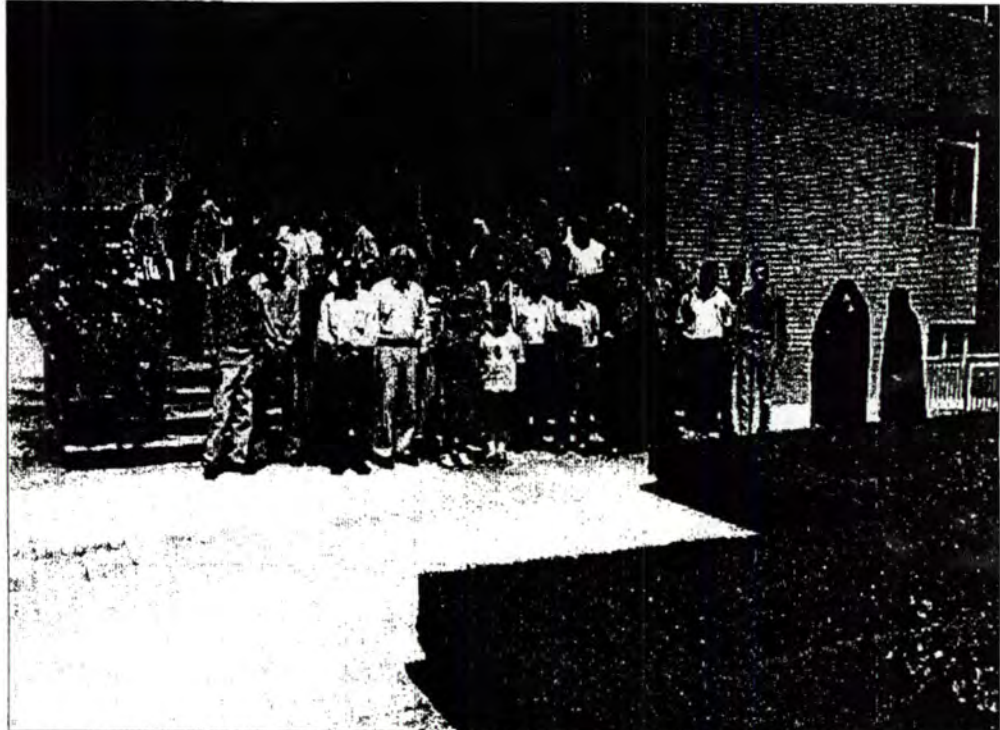
We get to the University and the lecture hall is packed, Rusty estimates in excess of 500 people were in the hall. We started setting up immediately; computers, projector, and a video player. Well, we had to wait for the extension cord. In the hall, the women -- all in black -- are on the right and the men are on the left. Then our party sat in the front two rows and mixed it all up.

The evening began with much Farsi being spoken, so I'm not sure I got this correct, but I believe there were a general welcome, a prayer, and then a specific introduction of our group. The extension cord finally arrived, just as I was called up to speak. Well, it would have gone fine except that with the adapters in the plugs, the plugs just didn't want to stay in the extension cord. I ended up with a projector which turned off at random times because the plug would fall out, and running my computer on batter power. Unfortunately, I started with a very low battery. Thus, I had to cut short the portion of my talk with images and movies as the computer gave out on me after just a few movies and images.

The level of English spoken was much less than at the Institute in Zanjan and a translator, Ali Parsa, was used. I don't think I've ever given a more difficult talk; equipment trouble, a translator, and over 500 people. I personally think it was a disaster, but I think the audience liked it. I've been told that despite all the technical glitches I was having, I was positively beaming the whole time I was on stage. I know I was having fun.

It's incredible, standing on a stage in a small town in Iran, with a crowd overflowing. I still can't believe this is happening. We are continuing to touch so many people. Alan went next and I stayed back stage to help out with the equipment. Back stage, the students kept trying to get me to sit down. I think I was making them uncomfortable standing up. Then there was an intermission, which lasted I don't know how long. I went outside to get a breath of fresh air and was immediately mobbed by students wanting autographs and pictures. But again, they took great care to be polite and to make sure that I got a drink of apple juice.

At the end of the evening, the speakers were presented with very beautiful blankets. Then it was another mob of autograph seekers and picture takers. Oh, the life of a rock star.



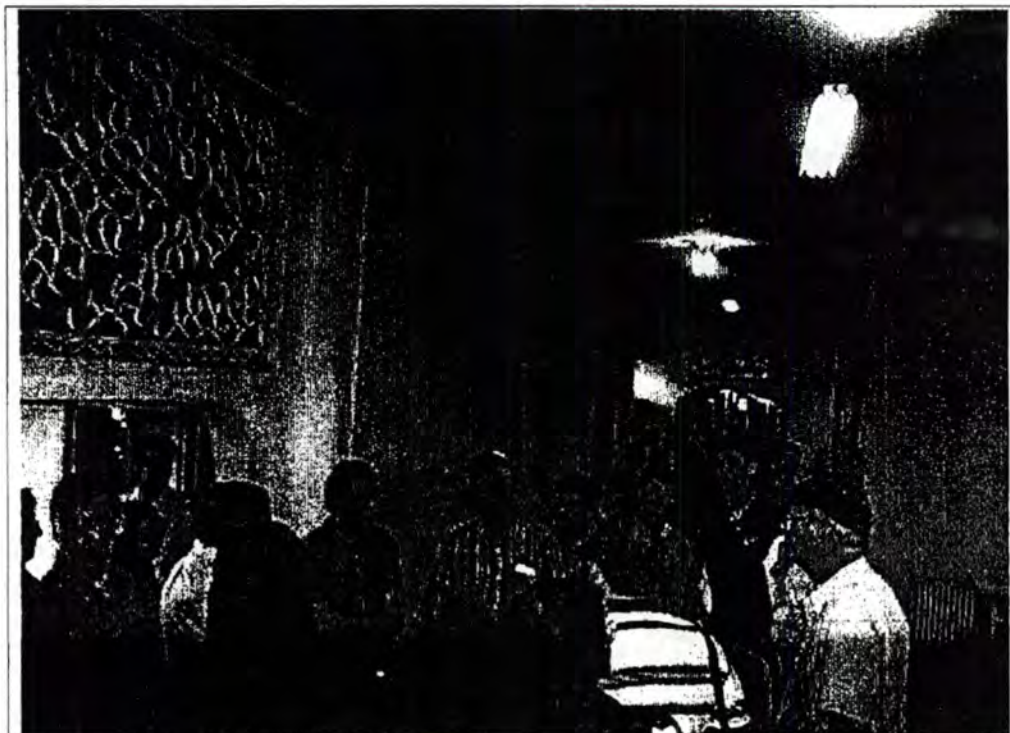
"This morning, Monday, we were getting on the bus to leave the hotel when a group of Iranians came up to the bus. They must have heard there was an astronaut on board and came up asking if Neil Armstrong was on the bus. So, Rusty got to do another round of autographs. Oh, the life of a *real* rock star."

By Alan Hale

"The response of the Iranian students toward us was incredibly warm and friendly, and in fact we were all but mobbed with their questions about science, about American life, and just about everything. It was also quite clear to me that the students were intelligent, well educated, and industrious."

By Doug Biesecker

"The students wanted to talk about science, about the U.S., about politics, about anything and everything. Apparently, many of the students don't understand why U.S.-Iran relations are so poor. Of course, neither do I really. Yes, the images of 20 years ago are still fresh in my mind, but I know that the people of the two countries could get along. I certainly feel like more that a drop in a bucket about the impact we might have on our trip here. We reached out today and affected dozens of lives. And of course, they will in turn talk to their friends and families about the day they had with the Americans. And they will talk about it in the most positive of ways."



The people of Iran crowded the delegation at every opportunity. They were quick to state time and again they are ready to renew friendship with the people in America. In such a nongovernmental expedition, Hale and the Institute are able to help open the doors for conversations between ordinary people – Iranian and American

THE MEMBERS OF THE FIRST EXPEDITION

ALAN HALE
RUSSELL SCHWEICKART
DOUG BIESECKER
ALICE BUCK
ROCK BUSH
STACY HEEN
GREGORY LESTER
STEPHANIE LESTER
BILL MILLER
SUZANNE MILLER
NANCY RAMSEY
CAROLYN YALE

ALAN HALE, Delegation Leader

Alan is best known as being one of the co-discoverers of Comet Hale-Bopp. He is a professional astronomer and Founder and Executive Director of the Southwest Institute for Space Research in Alamogordo, New Mexico. He is also a writer and frequent public speaker on various scientific issues.

RUSSELL SCHWEICKART

Rusty was the lunar module pilot for the Apollo 9 mission in March 1969, the first Apollo mission to fly the lunar module. Since leaving NASA he worked for the National Science Foundation and is the former CEO of Aloha Networks, Inc. Currently, he is the President of NRS Communications. His wife, Nancy Ramsey, is also participating in the delegation.

DOUG BIESECKER

Doug is a professional astronomer employed by the SM&A Corporation at NASA's Goddard Space Flight Center in Greenbelt, Maryland. He currently works with the SOLar and Heliospheric Observatory (SOHO) satellite, a joint NASA/ESA project. Doug recently gained quite a bit of notoriety via his discoveries of numerous sungrazing comets that are being detected by instruments aboard SOHO. Doug has also provided the photographs here.

ALICE BUCK

Alice is a family law attorney from San Diego, California. An amateur astronomer, she has a deep interest in the Middle Eastern countries as a result of her hosting a foreign exchange student from Jordan when her children were in high school. She is the sister-in-law of Alan Hale.

ROCK BUSH

Rock is a senior research scientist with the Stanford University Solar Physics Group. His primary research interests are the study of the sun's magnetic field and helioseismology (the study of "sunquakes" to probe the interior structure of the sun). He participated in the development and use of one of the instruments aboard the SOLar and Heliospheric Observatory (SOHO) spacecraft

STACY HEEN

Stacy was new to Search for Common Ground in Washington, D.C. Her first major assignment was to work together with this delegation and the Zirakzadeh Science Foundation in Iran to help make this trip possible. She is an expert in conflict resolution and in urban planning. Prior to joining Search she taught basic and advanced negotiation workshops and classes at Harvard Law School.

GREGORY LESTER

Greg is a graduate of Georgetown University and until recently was an investment banker with Paine Webber. He is now currently a student at the New York University School of Business. Greg likes to run and competed in the New York City marathon this past year. His sister Stephanie is also participating in the delegation.

STEPHANIE LESTER

Stephanie, a high-school student from Upper Saddle River, New Jersey, is an aspiring astronomer with a primary interest in cosmology. In addition to her scientific interests she is involved in numerous extracurricular activities, including debate, mock trial, and a student version of the U.N. Her brother Greg is also participating in the delegation.

BILL MILLER

Bill, a former U.S. Ambassador to the Ukraine, served as a Foreign Service Officer in Iran during the early 1960s. He is a scholar-in-residence at the Woodrow Wilson International Center for Scholars in Washington, D.C., and also does consulting for Search for Common Ground. He was primarily responsible for initiating contact with the Zirakzadeh Science Foundation. His wife Suzanne is also participating in the delegation.

SUZANNE MILLER

Suzanne is the wife of Bill Miller, the Search for Common Ground consultant who is also participating in the delegation.

NANCY RAMSEY

Nancy has been active throughout her life on public policy debates on various topics, including foreign and military policy. She has written two books on how these topics must be addressed during the 21st Century. She is also the President of Morning Star Imports, an importer of tribal and ethnic jewelry. She is the wife of former Apollo astronaut Rusty Schweickart, who is also participating in the delegation.

CAROLYN YALE

Carolyn works for the Environmental Protection Agency, and is based in San Francisco. Her specialty is in water management. She is a team leader for the EPA's CALFED Bay-Delta program. During the mid-1970s Carolyn was a Peace Corps volunteer in Iran, and was based in Shiraz working in the Fars Province Planning and Budget Office. Her husband, Rock Bush, is also participating in the delegation.

Special Guests

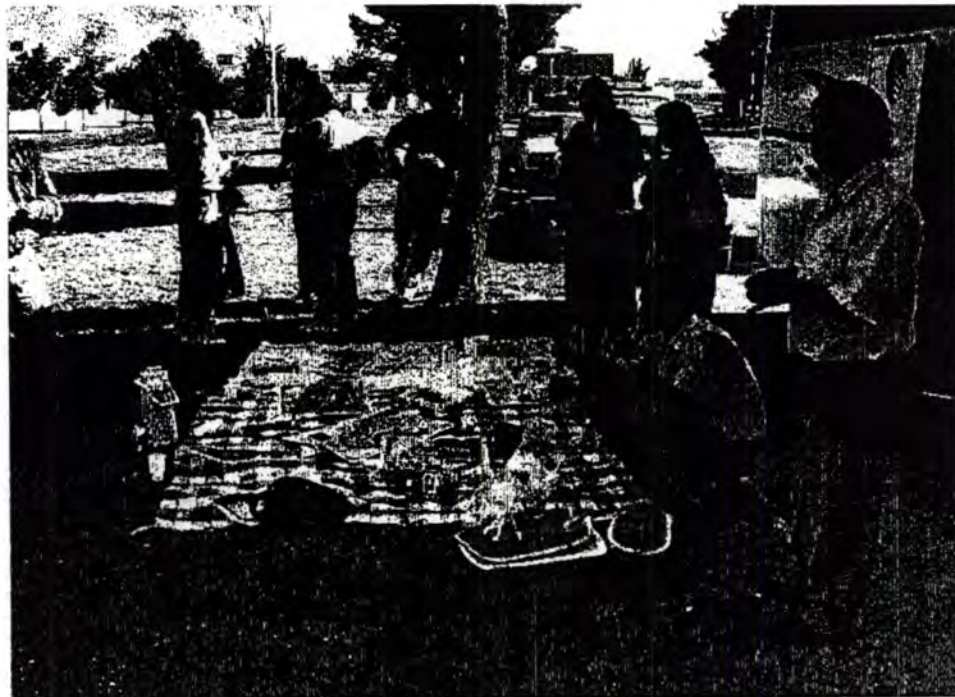
by Alireza Mehrani, Adib Center in Esfahan and Financial Officer for the City

Some of the well-known astronomers from different countries were our guests during the eclipse. The Presence of the people from different countries sincerely cooperating and sharing ideas with each other no matter what their race, nationality, religion, and culture here was an interesting scene.

Due to some specific features, the visit of American scientific group to our scientific site and their negotiation with the members of ATCA was specifically important. Among the members of the group, Dr. Alan Hale was more well known to us. He is one of the most professional amateur astronomers in the world. We also had warm and friendly negotiation with other members of the American group. Dr. Gary Goodman and his wife, from California were our other guests. We also had some guests from France, Japan, China, India, Italy and Uzbekistan.

Our guests felt at home, especially in the mutual scientific negotiation, as if we had known each other for years; and this was very nice to me. If the orbit of the Moon and the Earth had not made a 5° angle and both were on each other, and we had an eclipse every month, we could be the witness of more negotiations and friendship in the world!!!

However, we will do our best to keep these friendships and work towards strengthening them. This is the duty of all of us.



As you can see, the "all-American" picnic is enjoyed just as much in Iran.



Just before the eclipse occurred, hundreds of people were gathered with Dr. Hale and the Expedition from the Southwest Institute of Space Research.

SPONSORING ORGANIZATIONS

Without the help, support and financial assistance of these organizations, Expedition '99 Would not have become a reality. We greatly appreciate their deep concern and ongoing support and look forward to their continued affiliation.

Search for Common Ground, facilitated our contacts with our Iranian counterparts and handled most of the administrative legwork that made the trip possible

The **Zirakzadeh Science Foundation** in Tehran, who invited us to Iran and who made all the necessary arrangements for our visit on the Iranian end

The **Adib Teaching Center of Astronomy** in Esfahan, who made the arrangements for our eclipse viewing site in Chadegan

Rainbow Symphony, Inc. of Reseda, California, who donated 500 pairs of "eclipse glasses" for us to hand out to the Iranian citizens -- they were very popular!

Meade Instruments Corporation, who had agreed to provide telescope and imaging equipment for our trip. Because of some difficulties in shipping we ended up not being able to utilize these, however we would nevertheless like to recognize their contribution to our efforts.

Space Adventures, who helped us with our travel arrangements

The Iranian Trade Association, promoted the trip to its membership of individuals and corporations across the country. Many members here expressed great appreciation for the activity that was occurring.

Gulf/2000, Columbia University, promoted the trip to its members across the country. It was from this group that we received much international press coverage.



Another one of the remains of structures from thousands of years ago await Americans seeking to learn about the past of human civilization.

THE YOUTH OF TODAY WERE NOT BORN DURING THE CRISIS IN IRAN. THEY MAY WELL BE THE KEY TO BOTH NATIONS EXTENDING THE OLIVE BRANCH

THE ECLIPSE

August 11, 1999

2:50pm

Today is the day of the eclipse! Already on this trip we've done so many wonderful things, but now we're about to see what we came halfway around the world to see, and I am really excited!

To get the best possible view we've traveled to a resort area not far from the city of Esfahan, in Iran. Since we arrived we've met some other scientific groups who have also come to observe the eclipse. Some French astronomers have their equipment set up nearby and some Iranian scientists are here too. CNN and some Iranian news cameras have been filming us all day and just a few minutes ago they got a picture of my teddy bear sitting on a lawn chair wearing Eclipse glasses! It won't be too long now before the eclipse starts, and I can feel the excitement in the air.

3:14pm

The eclipse has started! First contact just took place - that means that the edge of the moon has just crossed over the edge of the sun. Only about an hour before totality!

5:30pm

The eclipse was wonderful! It went by so fast, though! At first, the moon creeping over the sun didn't really make things all that dark. After the partial eclipse had become 60% or so though, that's when the air became much cooler and the light definitely became dimmer. We were all anxious for totality to begin, but there was so much neat stuff to do during the partial eclipse that the hour went by very quickly. One thing I enjoyed doing was testing out the pinhole effect: normally when light from the sun shines through a small hole and onto the ground or a dark piece of paper, you see a simple point of light. When there is a partial eclipse however, something great happens: instead of seeing a simple point of light on the piece of paper, you see a projection of the eclipse. In other words, you'll see three fourths of a circle instead of a whole circle of light! There were a lot of fun ways to try this experiment out. One was to put your hand out, fingers spread, and look at the projection made against a wall. When I did this I could see miniature eclipses in between my fingers! We tried this experiment out with the sombrero-like hats that we had on. These hats had many, many little holes in them and when sunlight shone through them we saw forty or fifty little eclipses on the ground underneath! This was a safe and fun way of keeping track of the progress the moon was making across the sun.

Before long though the partial eclipse was 80% and it finally looked like dusk outside. When it was 90% people got really quiet and sat down in their lawn chairs staring up through their eclipse glasses. I did the same thing and made sure my teddy bear was right next to me, getting just as good a view as I was! As totality got to be closer and closer I remember suddenly feeling as if something incredible was about to happen! There was a large crowd on a cliff nearby that had gathered to get a good view, and when the moon had completely covered the sun they erupted into loud shouts of excitement and guns were shot into the air to celebrate. I knew that I could take my eclipse glasses off as soon as I could no longer seen anything through them and when I did, I didn't see the image of totality that you normally see in pictures. Instead of the simple white corona you typically imagine when you think of eclipses, I saw brilliant beads of light around the edge of the moon change into the shape of a beautiful diamond ring right before my eyes! The diamond ring effect, which apparently happens because the moon has craters and is not a perfect sphere, was something that I had completely forgotten about and wasn't expecting. But there it was! It was brilliantly white and stared right at me! By the time the "ordinary" corona that you see in pictures came about, I was so overwhelmed I just sat back and marveled at it!

All the experts seem to agree that the totality for Esfahan lasted over a minute and a half, but if you ask me it went by so quickly it didn't seem like any more than a few seconds! After everything was over I asked the scientists what they all thought about it and what made our eclipse different from other eclipses. They told me that the corona was especially "active" during this eclipse because the sun is nearing something called "solar maximum" in its cycle. This made it even prettier to look at during totality. They also said that the sky didn't get as dark as it usually does during an eclipse. This was probably because of all the sand and dust in the air. Any small particles like that scatter the light from areas where there might not be a full eclipse, over to our area and make it lighter than it would normally be.

7:05pm

Tomorrow is going to be a long day. We'll wake up early and travel for a very long time. That means a lot of scrabble games on the bus and hopefully some more sleep.

Today was a really amazing experience and I never want to forget it!



Ambassador of the United States of America

May 18, 2000

The Honorable William J. Clinton
President
The White House
1600 Pennsylvania Avenue
Washington, D.C.

'00 MAY 22 PM1:36

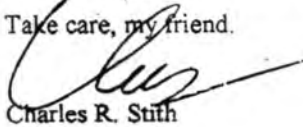
Dear Mr. President,

I just returned from Maputo (the U.S. - SADC Meeting), after having done the first ever Tanzanian Trade and Investment Forum in London. The Forum, by the way, was very successful. Upon my return, the Minister of Industry and Commerce Iddi Simba called and told me that during his recent trip to Washington he suggested to U.S. Trade Representative Barshefsky that the G8 should consider holding their next meeting in Tanzania. He asked me to follow-up on that suggestion.

Mr. President, I think it is a brilliant idea! First, given the challenges that have been raised relative to globalization at the WTO meeting and the spring meeting of the IMF/World Bank, to do the G8 meeting in a country like Tanzania would be a stroke of genius. The symbolism of such a meeting in such a context would give a credibility to G8 claims that globalization is synonymous with opportunity and that the G8 really cares about the developing world. Additionally, it would represent an affirmation of your (and the United States') leadership in trying to humanize the face of globalization.

Obviously, we stand ready to be helpful in any way possible.

Take care, my friend.


Charles R. Stith

Ps. Given the latest turn of events in the NY Senatorial campaign, it gives new meaning to the old adage that a day is a lifetime in politics. Give Hillary my regards. It seems like things are really breaking in her favor.

Send to NSC?

Yes ☒

No ☐

5-22-00
cal

'00 MAY 22 PM4:29

Canadian Embassy



Ambassade du Canada

501 Pennsylvania Avenue, NW
Washington, D.C. 20001

May 18, 2000

The President
The White House
Washington, D.C. 20500

Dear Mr. President,

I have the honour to transmit the attached letter,
received from the Honourable Lloyd Axworthy, Minister of Foreign
Affairs.

Yours sincerely,

Raymond Chrétien

Raymond Chrétien
Ambassador

5-22-00

Is NSC for reply?
Yes ☒ No ☐
B.



Minister of Foreign Affairs

Ministre des Affaires étrangères

Ottawa, Canada K1A 0G2

COPY
COPIE

MAY - 3 2000
MAY - 3 2000

His Excellency Mr. William J. Clinton
United States of America

Excellency:

On behalf of the Government of Canada, I should like to present you with a copy of the recent publication entitled *Altered States: Globalization, Sovereignty, and Governance*. At the request of the United Nations Foundation, this timely book was written by Messrs Gordon Smith, Chairman of Canada's International Development Research Centre (IDRC), and Moisés Naim, Editor of the prestigious *Foreign Policy*. It is intended to stimulate public debate on the future of the United Nations and to feed directly into the upcoming discussions that will take place this September in New York at the UN's Millennium Summit.

IDRC, the publisher of *Altered States*, supports policy and development research as part of the Government of Canada's official development assistance program. As the Minister responsible for IDRC, I encourage you to read this important publication and consider its message in advance of your attendance and participation at the Millennium Summit. IDRC also invites and welcomes your comments and critiques of this book.

In light of Secretary General Kofi Annan's recent report on UN reform (which draws on *Altered States*), both IDRC and the Government of Canada truly hope that your participation at the Millennium Summit of the UN will result in meaningful proposals for reform and renewal of the United Nations, as well as new hope for increased prosperity, security, and well-being for all peoples of all nations.

Sincerely,

Lloyd Axworthy

Minister of Foreign Affairs



Ministre des Affaires étrangères

Ottawa, Canada K1A 0G2

MAY - 3 2000
MAI

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United States of America

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Sincerely,

Lloyd Axworthy

ALTERED STATES

GLOBALIZATION,

SOVEREIGNTY,

AND GOVERNANCE

GORDON SMITH & MOISÉS NAÍM

Caitlin Mullen
1244 Lexington Dr.
Yardley PA. 19067

5-22-00

Do nice copy

~~Colin Mullen~~
5-22-00

After you have seen,
we will send to
Burkhardt -

Bill & Carol

Carl

Dear Mr. President,

Hi, my name is Carlin Mullen. I am very excited about ~~me~~ meeting you to day. I am very proud of my brother Bill. If you would like to write me back, ^{here is where I live} it is: 1244 Lexington Dr.
Yardley, PA 19087

Thank you for your time!

Love,
Carlin Mullen

THE PRESIDENT HAS SEEN
5-22-00

As to the
last card
the man in the future
the sun will be
not of the arguments!

President Clinton
—

THE PRESIDENT HAS SEEN

5-22-00

5/17/00

The Honorable
William Jefferson Clinton
President of The United States
White House
Washington D.C

Dear Mr. President

I would like to once again thank you for letting me and my parents stay at your house. It was truly an experience I will never forget, especially when I am running for President. However, this letter is not only to give thanks, but also to set the record straight.

When I returned home I was still anxious to know where Oliver Miller went to college, so I went on the Internet, and asked all of my friends if they knew where he went to school. A few days later I was given a basketball card proving once and for all that you are all knowing, and that Oliver Miller did indeed attend the University of Arkansas. Enclosed is the card that I was given to show proof of my research, and on the back it shows where he went to school.

I can only hope that I will be able to share more arguments with you in the future, and hopefully win once or twice. Best wishes to you and your family, and a special good luck to the First Lady on her upcoming Senate race.

5-22-00

Respectfully

Jacob Cherry

Jacob Cherry.

6622 N. LeMai
Lincolnwood, IL
60646

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

al.

DO NICE
WEDDING
LETTER
BC SIG

Tom,
If I could get
a "Best Wishes Wade &
Tamsin" note from you
on this, it would be really
terrific.

Thanks!




DOCTORS UNA RYAN AND ALLAN CALLOW
REQUEST THE PLEASURE OF YOUR COMPANY

AT THE MARRIAGE OF HER DAUGHTER

TAMSIN SPENCER SMITH

TO

THOMAS WADE RANDLETT

SATURDAY, THE TWENTY-SEVENTH OF MAY

TWO THOUSAND

AT HALF AFTER FOUR O'CLOCK

STONE HOUSE

BIG SUR

CALIFORNIA

FEAST AND FESTIVITIES TO FOLLOW

BLACK TIE



GOP assault on IRS was turning point

The headline April 30, 1998, in this newspaper was chilling: "Witnesses accuse IRS investigators of 'Gestapo-like' raids."

The story, similar to ones that ran in newspapers across the country, summarized an invective-filled hearing of the Senate Finance Committee at which angry taxpayers portrayed themselves as victimized by the strong-arm enforcement tactics of the Internal Revenue Service. With the government unable to respond because of legal restrictions that safeguard taxpayer privacy, it was easy for readers to conclude that the IRS was an out-of-control agency that trampled on the rights of innocent citizens.

It is a sad truth of journalism that all too often corrections fail to erase the original misguided impressions. In the case of this politically motivated assault on the tax collectors by Senate Finance Committee Chairman William Roth, an impartial analysis of those overheated charges against the IRS did not see the light of day until last week. The follow-up inquiry was conducted by the General Accounting Office (GAO), the non-partisan investigative arm of Congress. This confidential 1999 document was only belatedly made public, with sections blacked out to protect privacy, in response to a Freedom of Information Act lawsuit by *Tax Analysts*, a non-profit newsletter in Arlington, Va.

Guess what? In flat, uninflected government prose, the GAO exonerated the IRS on all major charges.

As the GAO wrote, "Generally, we

found no corroborating evidence that the criminal investigations described at the hearing were retaliatory against the specific taxpayer. In addition, we could not independently substantiate that IRS employees had vendettas against these taxpayers."

There is a reason, beyond simply repairing the historical record, to revisit those hearings of 1998. The attacks on the IRS, with their unjustified use of Nazi imagery, can be seen as a precursor to inflammatory Republican rhetoric about the Elian Gonzalez raid.

House Majority Whip Tom DeLay described the federal agents who safely removed the boy as "jack-booted thugs." And New York Mayor Rudy Giuliani, no slouch when it comes to tough-minded law enforcement, compared the IRS agents to "storm troopers."

Yes, of course, reasonable people can differ about the steps that the government took to reunite Elian with his father. But it is one thing to lament the guns-drawn tactics of the INS and quite another thing to portray a lawful enforcement action by the government as the equivalent of the Nazis' roundup of the Jews.

Political scientists and foundation-sponsored studies frequently lament growing disrespect for government. But the problem is much deeper than voter cynicism about the presidential candidates and the Congress.

Make no mistake, this upsurge of distrust is not taking place in a vacuum. What has been occurring in recent years is nothing short of an all-out con-

servative assault on the basic functions of the federal government — activities such as the mechanics of tax collection that used to be far removed from partisan discord.

Take the Census, for example. Whoever thought that the Republican presidential nominee and the Senate majority leader would publicly express reservations about citizens filling out the long-form version of the Census? Small wonder that the mail-in response rate to the long form has dropped from 60% in 1990 to the current woeful 54%, while the figures for returning the standard form have held steady at 65%.

When the Census becomes a partisan symbol of intrusive big government, what's next? A Republican-sponsored citizens uprising against Smokey Bear? Against this backdrop, the Roth hearings on the IRS in 1998 can be seen as a historical turning point.

Tax law has always been a source of bitter partisan division. But the 1998 hearings veered off in an unprecedented direction.

The hearings maligned the non-political IRS agents charged with enforcing the tax law. The resulting hostile political climate in Congress has led to the IRS being starved for resources to carry out its basic functions.

"The decline in our resources in terms of the number of returns being filed is quite dramatic," IRS Commissioner Charles Rossotti said in an interview. "There are more higher-income returns, which is great for the economy, but these returns have many more complex tax issues."

The numbers underline his argument: Since 1995, there has been a 12% decline in the size of the IRS staff.

The bulwark of the federal tax system is voluntary compliance, and such a good-citizen response every April 15 must be predicated on a realistic threat of a tax audit. But for individuals earning more than \$100,000 a year, the audit rate plunged from 1.55% in fiscal year 1998 to 1.08% in fiscal 1999.

The odds of a business with revenue more than \$100,000 being audited dropped proportionally.

A buoyant economy might temporarily mask the revenue loss from a decline in audits. But tax preparers, who chart the audit rate the way the CIA monitors Chinese military spending, know that now is the time to push the envelope with questionable deductions. At a time when both Al Gore and George W. Bush are building their presidential dreams around the projected \$1 trillion federal budget surplus, it is worth worrying that this fiscal bonanza might prove illusory if taxpayers begin to believe that the IRS is toothless and that the chances of being audited are equivalent to the odds of being hit by a flying Studebaker.

Rossotti, who is understandably cautious about saying anything that might undermine voluntary compliance, admits, "We can't continue on the path we are on. The audit rate can't keep plummeting without giving people the wrong signal."

There is indeed a wrong signal being broadcast. It comes from Republicans too eager to demonize the IRS, federal law-enforcement agents and the Census for short-term partisan advantage.

Walter Shapiro's column appears Wednesdays and Fridays. Contact him at wshapiro@usatoday.com



Hype & Glory

By Walter Shapiro

5-22-00

✓
Copied
Podesta

JP
/ attending
PK

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. memo	Laura Graham and Shannon Butler to POTUS (1 page)	05/18/2000	b(6)

COLLECTION:

Clinton Presidential Records
Staff Secretary
Chron Files
OA/Box Number: 21407

FOLDER TITLE:

Monday, May 22, 2000

2019-0990-S

rs3433

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

4. Welfare – TANF Caseloads Continue to Decline: Last week, HHS released the latest welfare caseload data (from September 1999) showing that welfare rolls have now fallen by 53 percent since you took office and by 46 percent since you signed the welfare reform law. Caseloads have fallen to 6.6 million, the lowest level since 1968 and lowest percent of the population since 1966. We are working toward an event in June where you could release December 1999 caseload data along with other announcements from the Welfare to Work Partnership.

5. Healthcare-Medicare Update: When Governor Bush released the broad details of his Social Security proposal, he also unveiled an even less detailed summary of Medicare principles. He said these principles laid the foundation for expansions in coverage including prescription drugs, improvements in “financial stability” and reductions in bureaucratic complexity. He reiterated his disappointment that your Medicare Commission appointees did not support the “bipartisan recommendations” of the Commission and indicated his support for subsequent reincarnations of the plan. He did not acknowledge or indicate any support for the Commission’s proposals to: (1) raise traditional premiums by at least 25 percent; (2) raise the eligibility age to 67; (3) extend the BBA 1997 provider cuts; or (4) advocate a low-income only drug benefit (135 percent of poverty or \$11,270). The paper he released contained no specifics on how the program would become more efficient, what the drug benefit would be and how it would be delivered or financed, or how it would address the program’s inevitable financial and demographic challenges. In fact, the principles are so vague that few media outlets decided to give his proposal any coverage. Senators Breaux and Frist are now supporting Medicare reforms that have omitted the most controversial provisions included in the Medicare Commission, and replaced them with other flawed policy options that do not appear to achieve any savings and rely on a private insurance delivered benefit, similar to the House Republican proposal that the insurance industry itself says that it will not offer.

6. Health Care - Long-Term Care Plan. Governor Bush proposed a two-pronged long-term care initiative designed to provide a tax deduction to purchase private insurance and to establish a new personal exemption for home caregivers. The total cost of both initiatives, according to the Bush campaign, is \$7.4 billion over 5 years. This policy has been much better received by the insurance industry than by advocates for the elderly and disabled. Your \$3,000 tax credit is far more generous to those who are currently in need of long-term care services, and unlike the Bush proposal, would be available to the under-65 population in need of long term care as well. The personal exemption advocated by Governor Bush is highly regressive in that it would disproportionately benefit much higher income individuals and target far fewer people. The long-term care deduction would subsidize an insurance product that many experts believe is highly suspect because of its extraordinarily high lapse rates (i.e., the product is dropped by enrollees when it becomes unaffordable in the out-years). Nonetheless, support is growing among Democrats for such policies, as long as they have appropriate standards such as non-forfeiture protections, which ensure that consumers purchasing long-term care products retain some of their value, even after stopping payment for premiums. AARP and HIAA have agreed to support a similar policy as long as your tax credit is included as part of the package.

copied
Ricchetti
Podesta



THE WHITE HOUSE

WASHINGTON

Memorandum

is there some move
to get Ken Burt
in as Pres of Corp for
Nat'l Service, Make
Harris Wofford Chairman?

BC

THE PRESIDENT - BEEN

5-22-00

copied
Echaveste
Nash
Podesta

A War Criminal in Custody

PEOPLE ARE literally dancing in the streets in Freetown, the capital of Sierra Leone. Today Sankoh, leader of the brutal armed band known as the Revolutionary United Front (RUF), was captured by pro-government forces yesterday and turned over to British soldiers at Sierra Leone's international airport. Mr. Sankoh's soldiers had violated a cease-fire and many 340 United Nations peacekeepers hostage. His arrest offers hope for Sierra Leone after its nightmarish nine-year civil war.

The United States is hailing Mr. Sankoh's arrest. Yet as recently as Tuesday, the Clinton administration seemed to be encouraging another deal with Mr. Sankoh, perhaps brokered by his main outside supporter—that is, the man with whom he corruptly shares the loot from Sierra Leone's diamond mines, President Charles Taylor of neighboring Liberia. Fortunately, the troops currently allied to the elected president of Sierra Leone, Ahmed Tejan Kabbah, grasp what the administration is still learning: that Mr. Sankoh understands only the language of force.

President Taylor or others may seek Mr. Sankoh's freedom in exchange for the U.N. peacekeepers. The international community should resist such a deal. It would be a capitulation to terrorism and a calamity for President Kabbah, who is, after all, the only person with a legitimate claim to govern Sierra Leone, whose people want Mr. Sankoh held accountable for his crimes.

A hard line entails risk. Back in 1997 Mr. Sankoh was captured and sentenced to death; this provoked the RUF into an invasion of Freetown that had to be repelled by a Nigerian intervention force. Under international pressure, Mr. Kabbah consented to release Mr. Sankoh and sign the cease-fire deal that Mr. Sankoh shredded earlier this month.

But that history also suggests that nothing is to be gained by giving Mr. Sankoh yet another chance. The United States, Britain, the United Nations and Sierra Leone's West African neighbors need to work out a strategy—political, military and diplomatic—to capitalize on Mr. Sankoh's arrest and put the RUF out of business. Step one: Mr. Sankoh should be officially declared the war criminal that he is, and legal avenues for putting him on trial should be explored. Step two: The United States and Britain should lend all prudent support and encouragement to Sierra Leonean and other West African forces, especially Nigeria's, that are willing to take on the RUF.

These policies would show Mr. Sankoh's remaining lieutenants that their days of impunity are numbered and that they're better off disarming, as they promised last year. Mr. Sankoh's RUF has murdered, maimed, robbed and enslaved thousands of Sierra Leoneans, many of them children. It has done all of this for the sake of no coherent political agenda—in pursuit only of illicit enrichment. Negotiations with these thugs is not the way to peace.

Getting at the Tragic Truth

A LONG-AWAITED D.C. Council hearing will be held today to examine the response of high-ranking city officials to stories in *The Post* concerning deaths and neglect of people in group homes managed by the Mental Retardation and Developmental Disabilities Agency. The witness list contains a who's who in human services, the inspector general's office and the mayor's inner sanctum. By day's end, the public should know who in the city's upper echelon knew about threats to the lives and safety of people in group homes, and what actions they took—or failed to take—in behalf of the District's most vulnerable residents.

We think, however, the question to be examined is much broader than what Williams administration officials knew and when they knew it. To be sure, it is important to find out how well—or badly—a one-year-old administration handled reports of problems within the agency. But that approach apportioning blame—if that is

what the committee seeks to do—too narrowly. The District's well-documented mistreatment of people with mental retardation and developmental disabilities spans several decades, encompassing negligent oversight by both the executive and legislative branches of city government.

The special committee, co-chaired by council members Sandy Allen (D-Ward 8) and Kathy Patterson (D-Ward 3), apparently assumes that top administration officials were slow to react to well-known problems within the agency. The hearing should determine whether that assumption is correct. The committee will perform an even greater public service, however, if it does more than play the blame game. There is an urgent need for the mayor and council to take remedial steps within their respective branches to prevent a recurrence of the across-the-board failures that allow people with mental retardation and developmental disabilities to end up dead, abused or neglected in the first place.

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Ask Economists, Not Hillary, Why Canadian Drugs Cost Less

Before the U.S. Congress joins the state of Maine on a bus trip north to pick up Canadian drug pricing policies, it should ask a simple question: "Why are drug prices lower in Canada than in the U.S.?" The answer may persuade them to stay at home.

The first step in analyzing the price differential is to learn its true size. Hillary Clinton and Sen. Slade Gorton (Rep., Washington) have each conjured up "Top 10" lists that cherry-pick the drugs with the most glaring price differences between Canada and the U.S. Inspired by such

The Americas

By Michael Walker

lists, Maine has passed a law to equalize patented drug prices with those north of the border. Meanwhile, Canada's Patented Medicine Prices Review Board, which imposes price controls on branded pharmaceuticals, figures that in 1998 the U.S. price for drugs was 60% higher than at home. However, it is unlikely that the Board's self-congratulatory claim or the makers of Top 10 lists appreciate the complexities involved in international price comparisons of pharmaceuticals.

In 1996, University of Pennsylvania Prof. Patricia Danzon measured prices of drugs in 12 different ways, including by molecular composition rather than brand name, and by gram of active ingredient rather than dosage. By one of the measures, the price index for Canadian drugs was actually 3% higher than in the U.S. Indeed, commonly used drugs such as Eltroxin, Atenolol, Doxycycline, Ranitidine and Diazepam are several times more expensive at the retail level in Canada than in the U.S.

Furthermore, because regulatory ap-

proval is slower in Canada, innovative and high-priced drugs may be included in the U.S. price index before they are included in Canada's. In the U.S., many of these drugs are priced at a premium to existing drugs but nevertheless earn significant market share. Recent examples include Viagra, Vioxx and Celebrex. For any given year, the U.S. price index will include several such new drugs but the Canadian index will not.

But if drug prices are 60% higher in the U.S., it does not follow that the Board deserves the credit. When it was set up in 1987, U.S. drug prices were already 36% higher than Canadian prices. While the Board might like the credit for Canada's 24% price improvement up to 1998, the fact is it has simply been a part of a generalized widening of price differentials between the countries.

According to Statistics Canada, the real price level of U.S. gross domestic product in 1998 was 25% higher than in Canada. In 1987, the difference was only 6%. This 19% widening of the gap between Canadian and U.S. real price levels explains all but 5% of the increasing pharmaceutical price difference between the two countries.

In discussing why American pharmaceuticals cost more in America than in Canada, we must note that there is nothing, in this regard, different about drugs or about Canada. Many products of intellectual property, made in America, are sold for lower prices in foreign countries. And many, in particular, are sold more cheaply in Canada.

As an example, the CD-ROM version of Intuit's Quicken Basic 2000, a popular personal financial planning software package, costs \$34.95 from the company's web site. However, the Canadian version, purchased from the company's Canadian web site, costs the equivalent of \$20 before the ubiquitous federal sales tax. AOL charges

\$21.95 for unlimited monthly Internet access in the U.S., but AOL Canada charges less than \$16 for the same service. Intuit's and AOL's American customers pay premiums of 70% and 40% respectively. (Inclusion of sales taxes does not alter the substantive result since the allegation is that somehow a market failure produces higher U.S. prices.)

The point here is that these are software-related products with very low manufacturing and distribution costs. The price

The 19% widening of the gap between Canadian and U.S. real price levels explains all but 5% of the increasing pharmaceutical price difference between the two countries.

differences cannot be caused by supply costs to the two markets. Nor do we have a "Patented Software Prices Review Board" to claim credit for the price differential. But government has nevertheless had a hand in producing the lower Canadian prices.

Because of bad government policies the Canadian dollar has collapsed to 67 U.S. cents from 87 cents over the past decade. Canadians' personal incomes have declined 24% versus those of Americans, and U.S. producers wishing to hit the price point that will maximize the value of their sales therefore charge Canadians less for their products. As a Congressional Committee found, and for the same reason, American drugs are also priced at a lower level in Mexico. While poor economic performance elsewhere is the main determinant of drug price gaps, there is a peculiarly American aspect to the story that

must be noted, and that is the litigious atmosphere in the U.S. marketplace.

Prof. Richard L. Manning, while at Brigham Young University, produced a Journal of Law and Economics study in 1997 that showed that one-third to one-half of pharmaceutical price differentials in 1990 were due to the higher cost of legal liability protection in the U.S. It is not unreasonable to extrapolate his result to goods generally. Canada, unlike the U.S., does not see multibillion dollar liability suits. In Canadian courts, personal injury compensation is capped at C\$250,000 and judges rarely award large liability settlements. In short, Americans pay in higher prices for the liability-law circus going on in their courts. Peter Huber, in his 1988 book on the liability revolution, estimated those costs at \$300 billion a year. The liability crisis is worse today.

U.S. politicians wanting lower pharmaceutical prices should start with meaningful tort reform rather than Canadian drug-price controls, which cannot have been a significant influence on drug prices. Even if they were, they represent the sort of bad public policy that has left Canada with a weak dollar and a decade of stagnant living standards.

The inventive effort that creates the drugs that benefit Canadians and Americans alike is financed largely by resources generated in the U.S. Canada has always been reluctant to make its contribution to this effort and for many years simply stole the patents under Canadian federal law. Neither U.S. nor Canadian consumers would be well-served by the importation of this outlook, even if, in the short run, there was a slight reduction in the price of the top 10 drugs.

Mr. Walker is executive director of the Fraser Institute in Vancouver. John Graham, a senior analyst at Fraser, contributed to this article.

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A Primer on Rival Plans to Revamp Social Security

By BOB DAVIS

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON—If you listen to Al Gore, you would think George W. Bush was out to wreck Social Security with his plan to restructure the retirement system. If you listen to Texas Gov. Bush, you would think the vice president was a demagogue, too mired in old-think to change the system.

Their battle isn't simply the charge/countercharge of political campaigns. Social Security is the nation's most successful social-welfare program, but it is misunderstood. It is advertised as a retirement program, similar to old-style pensions, but it is really a tax plan that transfers money from workers to the elderly. Here is a primer to understand what the fuss is about.

Why make any changes in Social Security?

The program is slowly running out of money and, at last estimate, will go broke by 2037. At that point, retirees would only get three-fourths of their promised benefits. Why? With so many baby boomers retiring, starting in 2018, there won't be enough tax-paying workers to pay retirement costs, unless changes are made in the system.

What does Gov. Bush propose?

He would divert a portion of workers' 12.4% payroll taxes—probably 2%—to fund personal-retirement accounts for younger workers. Like popular 401(k)s, the accounts could be invested in stocks and bonds. Retirees would own the accounts and could pass them on to their children as an inheritance. That is a big change from Social Security, where benefits end with the death of a retiree or the retiree's spouse.

How would that help solve the problem?

Nearly every personal account proposal would also reduce Social Security's

guaranteed benefits. Gov. Bush would almost certainly move in that direction, too, but don't expect him to admit that during an election campaign. Eventually, the changes would reduce the government's Social Security payments.

Retirees would be better off, proponents argue, because they would make more money on their invested funds than they would have collected through tradi-

tioned Social Security payments. Gov. Bush would collect less payroll taxes but still would have to pay current retirees and others their full benefits. The extra money would come from Social Security surpluses, while they last, and from general government funds.

What are the risks?

Lots of them. The stock market could tank shortly before a worker retires, reducing payments to below the level of the

riskiest investments. Why not invest in dot-coms—maybe in the future, asteroid mining companies—if the government will make up losses? "It's an invitation to another savings and loans crisis," says Mr. Tanner.

Mr. Bush says he won't allow very risky investments. PaineWebber Group Chairman Donald Marron believes retirees should only be able to invest their Social Security accounts in index funds that track movements of the whole market. The government should only guarantee that worker retirement benefits won't fall below the poverty level, he argues.

What would Vice President Gore do?

He would keep current benefits but change the financing. Instead of relying solely on payroll taxes, as Franklin D. Roosevelt envisioned, he would transfer huge amounts of general revenue. He estimates that would extend the solvency of Social Security by 13 years. But he doesn't say what he would do to further bolster the system or to make up shortfalls if his projections are wrong.

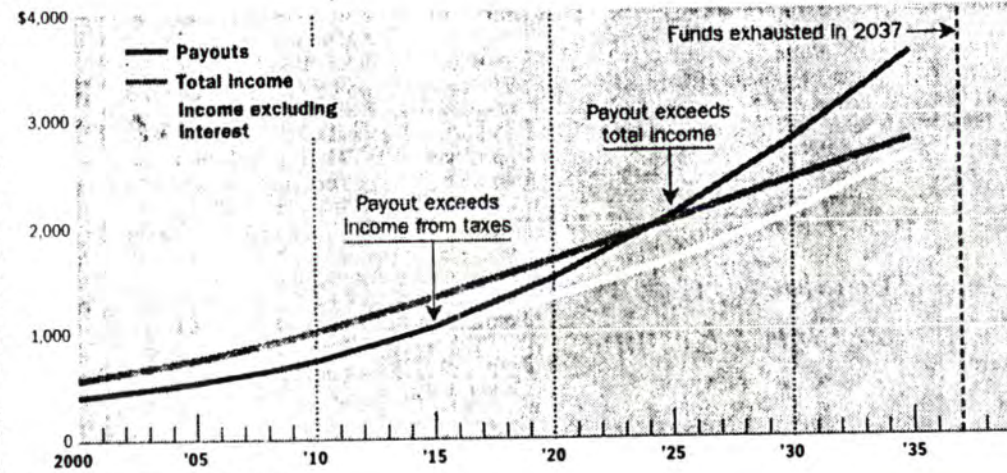
How risky is that idea?

Essentially, what the vice president would do is have the federal government issue new bonds to Social Security, which the retirement system would redeem later. Critics say that is just a fancy name for a government IOU; there is no guarantee the federal government would come up with the money when needed. But federal

bonds are considered the world's safest investment, so there is reason to take the government at its word. The real risk is the size of the transfers from general revenue—more than \$250 billion a year starting in 2015. Those payments could squeeze other programs and essentially make paying for baby-boomer condos in Florida one of the government's main functions.

On the Road to Ruin

The Social Security Trust Fund is expected to go broke in 2037 unless the retirement system is restructured. Shown below are projections, using intermediate cost assumptions, of the amount of income going into the trust fund and the amount of money going out, in billions of dollars.



Source: Social Security Administration

tional Social Security payments. Mr. Bush would exempt current retirees and those near retirement from the changes.

How would he pay for it?

Mr. Bush isn't saying. But one Bush adviser has estimated the transition costs at \$850 billion over 10 years. Michael Tanner, an analyst at the Cato Institute, a libertarian think tank, figures the full cost would be about \$2.5 trillion over 25 years. Why so much money? The government

current system. The accounts could prove so popular that Congress lets individuals use the money to pay for college, homes or health problems, which would reduce the sums left for retirement. The government then would face enormous pressure to pay even more money to retirees.

Should the government insure individuals against market losses?

If it does, it could create another problem: encouraging investors to make the

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IN THE LOOP

Al Kamen

Trial and Error

The White House probably should gear up for some heavy fire from enviros and liberals and a loud chorus of "we told you so." Those groups had strongly opposed the nomination of **Ted Stewart**, a former aide to powerful Senate Judiciary Committee Chairman **Orrin G. Hatch** (R-Utah), to a judgeship in Utah.

The groups said Stewart, a former utility commissioner and most recently chief of staff to Utah Gov. **Mike Leavitt** (R), didn't have enough courtroom experience. But the American Bar Association gave Stewart a passing grade and **President Clinton**, hoping Hatch would approve more judges, nominated Stewart on July 27. Stewart was quickly pushed through to an Oct. 6 confirmation.

His courtroom career as a federal judge, according to a front-page account in Saturday's Salt Lake Tribune, got off to a rocky start. Stewart "made a basic legal error as he began his first trial" on May 3, the paper reported, "potentially tainting the prospective jurors by pointing out each U.S. marshal guarding the defendant, accused of bank robbery."

When defense attorney **Benjamin Hamilton** objected, Stewart apparently didn't understand the mistake. "Tell me how serious is the question about the marshals," he said.

Hamilton, according to a transcript obtained by the newspaper, said pointing out the guards "implicitly infers that this person needs to be supervised in a close setting the same as if he had been brought in in handcuffs. It suggests to the jury a violent person that needs to be controlled and it sets up a bias in their mind right up front."

The prosecutor, Assistant U.S. Attorney **Brooke Wells**, agreed. "As a general proposition, judge, a jury is not informed of the custody status of an individual. . . . It's considered prejudicial."

Stewart wanted to continue anyway, but the prosecutor rose again to repeat her "grave" concern that the error would make for a successful appeal. Stewart agreed to halt the trial and get a new jury pool, apologizing for his "mistake."

Hatch, in a written statement to the Tribune, said the case showed Stewart "is a thoughtful and fair jurist," doing what "a seasoned jurist might have done . . . to ensure the fairness of the trial."

A Senate Democratic aide opined: "Shows what happens when you rush."

Stay in the Rose Garden, No Matter What

Vice President Gore and Texas Gov. **George W. Bush** may want to get a certified home inspector to take a look at their possible new home.

"It has been determined that a major asbestos fiber release episode has occurred" in an auditorium in the Dwight D. Eisenhower Executive Office Building (formerly and still widely known as the Old Executive Office Building), a May 15 General Services

Administration memo says. It happened on about May 8 "as a result of renovation work to install speakers in the acoustical plaster ceiling panels of the main . . . seating area."

GSA sealed off the area in the auditorium, which is a backup site for Rose Garden events forced indoors by weather and for briefings to large groups. The cleanup is done and awaiting final testing before the area is reopened, likely next week.

"GSA Safety recommends that any individuals who may have worked in the immediate area . . . be advised that they should have a baseline physical for asbestos exposure to include a chest X-ray and pulmonary function testing." That applies to a few GSA workers and contractors who were exposed when some holes were cut in the ceiling, a GSA spokesman said.

Note to the candidates: Contract out any picture-hanging projects.

U.S. Could Sell China 4th Floors

Things seem to be coming together for supporters of a bill to grant permanent normal trade relations with China. The feeling is that sentiment is shifting their way. But maybe they shouldn't get overconfident. After all, the House parliamentarian assigned the bill the number H.R. 4444.

In China, the number 4 is very unlucky—worse than the number 13 here. It is a close homonym to the word meaning death. It is very bad. Hospitals don't have fourth floors because no one wants to stay on the death floor, a Chinese professor told the Congressional Quarterly Monitor.

Four 4s would be very, very bad. The sponsors say they don't know why it has that number but they are undaunted.

Support Right to Bear a Tax

The election results are in: **Grover Norquist**, president of Americans for Tax Reform, has won his bid for a three-year term on the 75-member board of directors of the National Rifle Association. Norquist garnered 63,000 votes, placing him in the top 25 vote-getters. He's hanging this weekend with his pals **Chuck Heston**, rocker **Ted Nugent** and television type **Susan Howard**.

Thurmond's Missing Hand

South Carolina state Republican chairman **Henry McMaster** calls to say that, contrary to Wednesday's item on Sen. **Strom Thurmond**, he absolutely did mention Thurmond's name when he read a list of officeholders at last weekend's state GOP convention. It was very early in the session and maybe folks were still getting settled, but McMaster said "people applauded" when he noted the absent senator.

It's true no letter from Thurmond was read to those assembled, McMaster conceded, but "that's because I couldn't lay my hands on it."

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FBI Memo Quotes Justice Official on Campaign Probe 'Pressure'

Associated Press

FBI Director Louis J. Freeh wrote a memo in the earliest days of the Democratic fundraising investigation suggesting a top Justice Department official was under pressure not to proceed with the probe to save Attorney General Janet Reno's job.

The memo, belatedly turned over to Senate investigators this week, also discloses that Freeh urged Reno and Lee J. Radek, chief of the Justice Department's public integrity section, to step

aside from the investigation as early as December 1996 because of comments purportedly made by Radek.

The memo was described by several government officials who have seen it since the FBI turned it over to be produced to the Senate and House Judiciary committees investigating the fundraising matter.

In the Dec. 9, 1996, memo to FBI Deputy Director William J. Esposito, Freeh recounted, third-hand, comments Radek allegedly made to Esposito suggesting he

was being pressured in connection with the investigation into Democratic fundraising improprieties during President Clinton's 1996 reelection.

Freeh's memo quotes Radek as telling Esposito he was "under a lot of pressure not to go forward with the investigation" because Reno's job "might hang in the balance," the officials said.

Radek said late yesterday that the memo's description of the conversation has "no basis in fact."

Radek said he never was under pressure to scrap the investiga-

tion to help Reno. "I have no recollection of ever saying I was under pressure because the attorney general's job hung in the balance. Nor is it something I would have said because it has no basis in fact," Radek said in a prepared statement.

Justice Department spokesman Myron Marlin said: "This attorney general has never let her own self-interest color her own decision-making. She bases her decisions on the law and the facts."

At the time, there was speculation on whether Reno, who re-

quested the Whitewater independent counsel investigation, would serve a second term as attorney general.

She steadfastly resisted an independent prosecutor for fundraising but has named a total of seven independent counsels to investigate the president and his administration—at times angering Clinton's supporters.

Freeh wrote Esposito that he met with Reno and told her about Radek's purported comments and suggested "on that basis" both Radek and Reno should step aside

from the investigation, the officials said.

The FBI also turned over a second memo from Freeh that discloses that early in the fundraising probe, the Justice Department tried not to use FBI agents to do investigative work, relying instead on investigators from the staff of the Commerce Department's inspector general.

Freeh wrote his general counsel, Larry Parkinson, that he was concerned the bureau was being cut out of the fundraising probe, the officials said.

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very, very close."

He refused to disclose his vote count, beyond saying that he expects at least 140 of 211 Democrats to be on his side.

Among proponents, Rep. John Linder, R-Ga., said that, as the vote nears, "people are finding reasons to say yes. It's too big to fail." Linder said that 160 of the 222 Republicans could support the measure.

Some scenarios by those favoring the legislation have assumed about 150 Republican and 70 Democratic votes for the bill. That would yield more than the 218 votes needed if all 435 representatives vote. Two independents are expected to vote no.

Intelligence Report Says Missile Defense Could Endanger U.S.
By Bob Drogin and Tyler Marshall
Los Angeles Times

WASHINGTON The U.S. intelligence community is writing a secret report warning the Clinton administration that construction of a national missile defense could trigger a wave of destabilizing events around the world and possibly endanger relations with European allies, a U.S. intelligence official said Thursday.

The new National Intelligence Estimate will sketch an unsettling series of political and military ripple effects from the proposed U.S. deployment that would include a sharp buildup of strategic and medium-range nuclear-armed missiles by China, India and Pakistan and the further spread of missile technology in the Middle East.

A supplement to the highly classified report also will note that the threat of attack from North Korea has eased since last fall, when Pyongyang effectively froze its ballistic missile testing program in response to U.S. overtures.

Outside critics long have argued that the proposed national missile defense could backfire and actually diminish national security and global stability. But the CIA-led analysis and updated threat assessment is the first official evaluation of how the system could generate dangerous new threats.

The administration has pledged to decide this fall whether to proceed with an initial base of 100 "interceptor" missiles in Alaska, backed by ground-based phased radar stations and satellite-based infrared sensors, in a system designed to shield the continental United States from a limited missile attack.

Proponents of the system argue that North Korea, Iran or Iraq may threaten U.S. territory with intercontinental ballistic missiles someday. Critics argue that the threat is exaggerated, that the anti-missile technology is unproven and that deployment would undermine crucial arms control and nonproliferation regimes.

CIA analysts believe that Russia would accept U.S. arguments that no system could protect against the number of missiles that Moscow could launch and that its deterrent thus would be preserved. But China has only 20 CSS-4 intercontinental ballistic missiles in vulnerable silos and the analysts say that, after a U.S. deployment, Beijing would conclude that it had lost its deterrent force and act accordingly.

"We can tell the Russians that (the missile defense) won't affect the viability of their deterrent force," the intelligence official said. "I don't know how we can say that to the Chinese with a straight face."

If the U.S. system is built, the CIA believes, China would install multiple independent nuclear warheads on its missiles for the first time in an effort to overwhelm any missile shield. Beijing has possessed the technology for more than a decade but has not used it so far.

In addition, Beijing is deemed likely to build several dozen mobile truck-based DF-31 missiles, which it first tested last year, to create a more survivable force. It also is likely to add such countermeasures as booster fragmentation, low-power jammers, chaff and simple decoys to confuse or evade U.S. interceptors.

The intelligence official said that Russia and China both would increase proliferation, including "selling countermeasures for sure" to such nations as North Korea, Iran, Iraq and Syria.

Moreover, the official said, India is deemed likely to increase its nuclear-armed missile force if it detects a sharp buildup by China, its neighbor and longtime rival. That, in turn, likely would spur Pakistan, India's arch-enemy, to increase its own nuclear strike force, the official said.

Former National Security Adviser Brent Scowcroft

called such a scenario "plausible" and expressed concern about its possible implications.

"We ought to think whether we want the Chinese to change their very minimalist strategy," he said in a telephone interview. "I'm not sure what the answer is but this is certainly one of the possible consequences that, in a sense, is more serious than the Russian reaction might be."

Michael O'Hanlin, who tracks the missile defense issue at the Brookings Institution in Washington, argued that, however dramatic it may sound, a domino-style nuclear arms buildup would be a lesser threat to the United States than China's potential willingness to develop and sell missile defense countermeasures to countries such as North Korea. Arms control specialists have expressed strong concern that the missile defense system as currently designed would be incapable of overcoming relatively cheap and easy to deploy countermeasures, such as clusters of decoys.

"If they do that, it could defeat the entire purpose of the national missile defense," he said.

Further afield, the intelligence official said, America's allies in Europe and NATO could be angered if the United States is seen to be walling itself off from its allies under an anti-missile shield.

The updated threat assessment notes that North Korea has frozen its program to test an intercontinental ballistic missile the Taepo-Dong 2 since the administration proposed relaxing economic and diplomatic sanctions last year.

The missile still could be tested on short notice, the official said, and related tests of the systems's electronics, pumps, tanks and other equipment are still ongoing.

CIA analysts, who warned last year that Iran may try to test an intercontinental ballistic missile by 2010, have detected little progress in Tehran's program. "We're not seeing some of the things we expected," the official said. "We're not seeing the threat advance."

The White House requested the intelligence estimate as part of its decision-making review.

The analysis is to be delivered next month.

The report warns that the missile defense shield would not protect Americans against what the official called "more accurate, more reliable and much cheaper" ways of delivering chemical, biological or nuclear weapons. These include ship-launched missiles, suitcase bombs and other covert means.

MIT Physicist Lends Credence to Whistle-Blower's Charges
By Paul Richter
Los Angeles Times

WASHINGTON A prominent physicist said Thursday that data brought to light by a Southern California whistle-blower proves that the Pentagon's proposed anti-missile system will not work and called for an investigation.

Theodore A. Postol, a professor at the Massachusetts Institute of Technology and leading critic of the proposed system, said that flight test results revealed in a lawsuit by former TRW engineer Dr. Nira Schwartz showed that interceptor missiles would be incapable of distinguishing incoming warheads from harmless decoy balloons. Such discrimination is essential if the system is to defend the U.S. warheads launched by a so-called "rogue" nation.

Postol sent his critique in a letter to the White House, urging an investigation and accusing the Defense Department of covering up the hardware's shortcomings. The test results showed that "they tampered with the data, with the analytical techniques, to make it look like they could pick out the objects," he said.

The critique came at a time of bitter and intense debate over the proposed system.

President Clinton is to decide this fall whether to deploy the anti-missile shield, which advocates say would protect the nation from the missile threat, although it also threatens to endanger relationships with allies as well as potential adversaries.

The system could cost between \$27 billion and \$60 billion, depending on how far the government chooses to expand it.

Pentagon officials responded sharply to the critique, contending that the June, 1997, flight test that Postol analyzed relied on a different "kill vehicle" hardware to identify the warheads and decoys.

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Today's debate: U.S. aid to Africa

Africa policy lacks focus

Our view:

Disease, war rip continent. Meanwhile, U.S. interest, aid decline.

No other area of the world is as vast and misery-stricken as sub-Saharan Africa. Famine stalks the continent, and violence girdles it. Civil war grinds on in Sudan; tribal conflicts grip the central Great Lakes region. Several nations, including Sierra Leone and Somalia, exist today only as fictions of international law — boundaries on maps that describe the limits of anarchy.

Poverty and disease also run rampant. Sub-Saharan Africa has been experiencing the equivalent of the Great Depression for the past quarter-century. Of the region's 48 nations, 42 have per-capita incomes below \$1,500 a year. Meanwhile, AIDS threatens to kill 25% of the population of some countries within 15 years.

The United States surely can't expect to solve every woe. But under Washington's watchful eye, it has been doing less of what is needed, not more. Official U.S. aid to Africa has been falling since 1992. As a percentage of national wealth, the United States donates less non-military aid to sub-Saharan Africa than does Canada or Japan.

The reasons for that cold shoulder aren't hard to understand. The lack of vocal public interest, combined with several shocking foreign-policy fiascos — notably the defeat of American peacekeepers in Somalia in 1993 — have hardened the American conscience against Africa's horrors.

It need not be that way. When goals are clear, even African cruelties are amenable to American involvement. In the 1980s, public outcry over South Africa's apartheid regime ignited the political and economic pressure that was key to ending that racist system.

Today, Africa's woes are more extensive. But although the Clinton administration has taken steps to elevate Africa's profile overall, it consistently has failed to articulate goals that inspire effective engagement. President Clinton himself visited sub-Saharan Africa in 1998, the first sitting president ever to do so. But the high point of that trip was his apology for not acting sooner against the Rwandan genocide of 1994 — a reactive look backward without a material forward spin.

Such unresolved interest plagues much of American foreign policy toward Africa. After touting the leaders of Eritrea and Ethiopia as models of new African leadership, the State Department was unable to prevent them from reviving a border war, even as their citizens braced for famine. In Sierra Leone, a worthless peace plan promoted by the United States turned out last week to be the tool by which a murderous rebel could briefly revive his atrocious campaign.

Although deeply problematic, Africa does matter, and American leadership against the region's problems is not just a question of timid show and soft-spoken tell. It is a matter of describing real needs, defining clear goals and igniting true passion to confront them. Without such leadership, this nation can expect only more dispiriting diplomatic defeats and more awful human suffering.

Our record speaks for itself

Opposing view:

From promoting peace to debt relief, U.S. is committed to Africa.

By Samuel R. Berger

Africa faces painful challenges. But there is something deeply flawed about a view of Africa that ignores its triumphs, while assigning responsibility for its tragedies to outsiders. President Clinton has worked hard to change that outdated way of thinking. He has worked to build a partnership based not on what we can do for or about Africa, but on what we can do with Africa to advance common goals. He has devoted more attention to Africa than any president in our history.

Thursday, he signed the Africa Growth and Opportunity Act. We worked with congressional allies for two years to push this legislation up a steep slope. It will expand Africa's access to our markets, helping ease poverty while encouraging economic reform.

We have promoted peace in Africa, helping forge a settlement in Congo, supporting Nelson Mandela's efforts to end violence in Burundi, and helping peace take hold in Mozambique and enabling it to build the world's fastest-growing economy. When Mozambique's progress was threatened by floods, we deployed our military to bring relief. We have worked continuously for two years with

the Organization of African Unity to mediate peace between Ethiopia and Eritrea.

The violence in Sierra Leone has been horrifying, but the willingness of African forces to deploy there and stand their ground is hopeful. We have trained thousands of African soldiers in peacekeeping, and today our military is transporting and equipping forces heading into Sierra Leone. Nigeria, Africa's newest democracy, has been a leader in these efforts. We helped mobilize international pressure to restore democracy in Nigeria and are supporting its transition today.

We also led the world to a historic commitment of \$90 billion in debt relief to the poorest nations, mostly in Africa, so they can meet human needs. We are leading the international fight against AIDS in Africa, acted against the objections of our pharmaceutical industry to make AIDS drugs less expensive there, and are seeking a billion dollars to speed the development of vaccines for diseases that devastate the continent.

America could avoid association with Africa's troubles — by avoiding Africa. We have not done that. We have worked with our African partners to confront Africa's challenges — sometimes with success and sometimes not — and focused America's attention on developing Africa's many opportunities.

Samuel R. Berger is assistant to President Clinton for national security affairs.

THE PRESIDENT HAS SEEN
5-22-00

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Nigeria Leader Agrees to Send Troops Into Sierra Leone

Obasanjo Seeks Support For Operation From U.S.

By JAMES RUPERT and DOUGLAS FARAH
Washington Post Foreign Service

BENIN CITY, Nigeria, May 18—President Olusegun Obasanjo promised U.S. officials today that Nigeria would commit as many peacekeeping troops as necessary to resolve the crisis in Sierra Leone as long as they received logistical and air support from the United States and other countries.

Obasanjo's pledge came during a meeting with Jesse L. Jackson, President Clinton's special envoy for Africa, who began a tour through West Africa today to help resolve the crisis in Sierra Leone, where Revolutionary United Front rebels have abducted hundreds of U.N. peacekeepers. Despite signing a peace agreement last year, the rebels have refused to disarm and have clashed with peacekeepers sent to oversee implementation of the accord.

Obasanjo suggested he would prefer that his troops work under a strengthened mandate from the United Nations, which currently has 11,100 peacekeepers authorized for Sierra Leone but is expected to raise that number to more than 16,000. Obasanjo made it clear that the force should be prepared to fight and defeat the rebels if necessary, and Jackson called Obasanjo's pledge of troops "a very bold commitment and one that the U.S. government appreciates."

Nigeria has played a critical role in Sierra Leone before, sending soldiers there in 1997 as part of a West African force to fight the RUF and restore the democratically elected government of President Ahmad Tejan Kabbah. The Nigerians succeeded in pushing the rebels back to a few strongholds and restored Kabbah to office in 1998 before the peace agreement was signed in Lome, Togo, last year.

After the Nigerians withdrew to make way for U.N. peacekeepers, however, the rebels took advantage of disorganization in the U.N. force, recapturing territory and repeatedly violating the accord. Today, Obasanjo said the rebels' continued defiance entitled Sierra Leone's government to disregard the numerous concessions made to the RUF at Lome—including amnesty and a top government position for the rebel leader Foday Sankoh.

Obasanjo's commitment today was a turnaround of sorts for a man who, during his presidential campaign last year, had called for Nigeria to remove its forces from Sierra Leone. Although peacekeeping in Sierra Leone has become a sensitive issue in Nigeria and Obasanjo has increasingly been at odds with the country's legislature, he insisted today that he could deploy any number of troops to Sierra Leone without lawmakers' approval.

Obasanjo's pledge came as West African mil-

itary chiefs meeting in Abuja, the Nigerian capital, endorsed a plan to send 3,000 troops to Sierra Leone. The bulk of these troops likely will be Nigerians, and U.N. officials said they likely would be incorporated in an expanded U.N. force.

Having secured support from Obasanjo, Jackson is scheduled to fly to Liberia on Friday to meet with President Charles Taylor and press for his cooperation in securing the release of the 270 U.N. peacekeepers who remain captive. Taylor, a long-time rebel supporter, has in recent days helped win the freedom of more than 150 captives. Today, he announced that another 15 had been let go.

Meanwhile, the government in Sierra Leone faces a dilemma over what to do about Sankoh, who was captured by pro-government forces on Wednesday. Many Sierra Leoneans want Sankoh, whose forces hacked off the limbs of thousands of civilians during their eight-year campaign of terror, tried as a war criminal. But U.N. officials have warned that a trial would endanger the U.N. peacekeepers still being held by his forces and could lead to another all-out war.

Although it was popularly elected, Kabbah's government is widely perceived as weak and ineffective. Failure to move swiftly to punish Sankoh would be perceived as further weakness, senior government officials acknowledge, but a trial could spark attacks by RUF forces that the government would be hard pressed to fend off without the assistance of a strong international force.

"The Lome agreement is still very much alive," Attorney General Solomon Berewa said in a news conference today in Freetown, Sierra Leone's capital. "Today Sankoh has done a lot of things that caused him to forfeit the privileges under that agreement, but no decision has been made as to whether we will prosecute him. The government can't act unilaterally or do anything without consultation, though the population would like it to be otherwise. . . . We need to find a middle road between vengeance and leniency."

Ibrahim Ture is one of the many Sierra Leoneans who have no desire to find that middle road. "I would say 90 percent of the people hate the Kabbah government because it has always been weak, it has never done anything to the RUF," he said, sitting in his car in Freetown. "They signed an agreement that led to where we are now because they were afraid of Sankoh, and they are still afraid of him. The man killed thousands of people. How can they say political consideration may make him not have a trial?"

Berewa, who is among the people whose input will determine if Sankoh is prosecuted, said he understood the popular sentiment. "Sankoh was being pampered; a lot of good things were lavished on him and people resented it," he acknowledged. "It is hard, especially when his own victims were not compensated."

Sidiki Gassma, 31, whose brother was executed by the rebels when they attacked the capital in January 1999, said she believes Sankoh should be put on public display, his arms and legs chopped off, but not allowed to die.

"Then [Sankoh] would know how people have suffered because of him," Gassma said. "If the government doesn't punish him, they are as bad as he is."

Farah reported from Freetown, Sierra Leone.

THE PRESIDENT HAS SEEN

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U.S. TAKES BLAME IN LOS ALAMOS FIRE, WHICH STILL BURNS

COMPENSATION PROMISED

Interior Secretary Criticizes Plan for Controlled Blaze as 'Seriously Flawed'

A1

By MICHAEL JANOFSKY

SANTA FE, N.M., May 18 — With a scathing indictment of the federal response to fires that have now burned nearly 80 square miles of northern New Mexico and more than 400 houses and apartments, Interior Secretary Bruce Babbitt said today that the government was wholly to blame and would do whatever possible to compensate victims.

"The calculations that went into this were seriously flawed," Mr. Babbitt said at a news conference in which federal officials described how a planned burn for a small section in Bandelier National Monument quickly raged out of control, overtaking wide areas beyond, including the city of Los Alamos and the Los Alamos National Laboratory, where nuclear weapons are designed.

Mr. Babbitt compared the combination of poor planning and bad decisions by people in the National Park Service and the Forest Service to "a cascading series of events, like a rock being dislodged down a hill, leading to a landslide."

Mistakes began with missing weather information and led to problems from a lack of firefighters, equipment and judgment about a situation that grew increasingly dangerous by the hour.

Mr. Babbitt's remarks were timed with the release of the results of a federal investigation into what happened from the evening of May 4, when Park Service personnel at Bandelier National Monument ignited what officials call a "prescribed fire," or burn, a means commonly used to remove dead and dried underbrush in an effort to reduce the possibility of a catastrophic fire.

Investigators found that almost every aspect of the plan for the prescribed fire was poorly conceived and carried out, beginning with the critical omission of wind predictions for several days into the burn. For some reason, the investigators found, information was not passed along to officials responsible for authorizing the burn and for managing it.

Investigators also said the park official who was in charge of the burn, Mike Powell, lacked the proper experience to manage a fire once it raced out of control. Mr. Powell's boss, Roy Weaver, the superintendent of Bandelier National Monument, has been on administrative leave since the fires spread. Mr. Powell is still working at the park.

Mr. Weaver, who has been with Park Service for 33 years, has been in charge of the national monument for 10 years. In that job, he has overseen two or three controlled burns a year.

"The technical and operational experience of the burn boss was not adequate," said Dick Bahr, a burn specialist with the Park Service from Boise, Idaho, who is one of the investigators. "He had not seen a fire of this complexity and size."

About 1,200 firefighters were still at work today, strengthening fire breaks, extinguishing hot spots and attacking the fire's northwestern flank. The Associated Press reported. It said the fire was about 70 percent contained.

As forceful as he was in ascribing blame, Mr. Babbitt was equally strong in saying that the federal government would accept full blame for the wildfire. He said Congress was developing emergency legislation that would compensate people who had lost their homes and businesses. A similar measure in 1976 helped people affected by a break in the Teton Dam in Idaho to receive compensation within three months.

Mr. Babbitt also said the Clinton administration was "on the wavelenght" to sign the pending legislation, once it passed the House and the Senate, which he predicted was likely to happen soon.

In Washington, Senator Pete V. Domenici, Republican of New Mexico, said he and others in the state's Congressional delegation had met with administration officials, adding that they were planning to work together "to establish some principles that we ought to incorporate in a law that will permit us to pay damages to the New Mexicans and other institutions that have been damaged by this fire."

But Senator Domenici was also critical of what he called "this negligence" that led to the destruction, adding that "the people of New Mexico and this country deserve to be very, very upset and to demand a much better performance and to insist that we find a way to recompense the people in that area."

So far, the Cerro Grande Fire, as it is now known, has claimed 405 housing units and closed many businesses, most of them in the Los Alamos area, which is about 45 miles from Santa Fe, the state capital. Early estimates put the aggregate loss at more than \$1 billion.

Several of New Mexico's leading elected officials here built on Mr. Babbitt's remarks to assuage fears

of those who suffered losses from the fires. Gov. Gary E. Johnson, a Republican who spent much of the day with Mr. Babbitt, urged New Mexicans to "document, document, document your losses" to expedite the paperwork in making claims.

"The federal government could not have done a better job respond-

ing to a terrible situation," Mr. Johnson said. "Los Alamos was hit by an 18-wheeler, and the government was driving the 18-wheeler. But don't hire an attorney yet. Give the government a chance to make good on this."

The thrust of the report was to review how decisions were made leading to the initial burn, how the authorities responded, whether management personnel had proper training and experience and whether existing procedures were adequate to cover all contingencies once the fire spread.

The findings were nearly universal in their condemnation. These were some of the major conclusions:

¶The plan for the prescribed burn was inadequate in that federal personnel did not take into account the complexities of the terrain and the material to be burned.

¶No one analyzed the plan with a critical eye toward unexpected developments, which resulted in ignoring the possible need for additional firefighters and equipment if the fire went out of control. As the fire spread, state and local firefighters found themselves overwhelmed, with some people on the lines working 24 hours and longer without a break.

¶The plan did not take into account predictions of wind conditions over

the three to five days after ignition. The information was missing in Mr. Weaver's assessment, and no one else he consulted mentioned it.

¶Coordination among federal, state and local agencies was lacking, and when other opinions were sought there was a lack of critical analysis. "You can't rubber stamp these things," Mr. Bahr said. "Everybody has got to be involved in everything."

¶Once the fire spread, suppression tactics that were used did not comply with federal standards in effect since 1995, a transgression that aided the fire's growth and threatened public safety. "The policy is sound," said Joe Stutler, a fire operations specialist from Redmond, Ore., who was a member of the investigation team. "But federal agencies working jointly did not put it together."

The report made public today is only the first step in assessing procedures that are routinely used throughout the West, which is highly susceptible to raging fires.

Mr. Babbitt has appointed a four-member board of inquiry that will take a harder look at what happened here, with technical experts possibly recommending administrative or punitive actions. That board, Mr. Babbitt said, is expected to complete its work by late next week.

THE ELEMENT HAS SEEN

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Foreign Affairs

THOMAS L. FRIEDMAN

Winners, Don't Take All

At stake in next week's vote by Congress over whether to grant China permanent normalized trade relations — which in plain English means a long-term, open trade relationship between America and China — is not just the future of U.S.-China relations but also the future of the Democratic Party.

Let's be honest, we have a bizarre situation here that can't go on indefinitely for the Democrats: We have the leadership of the Democratic Party, including the president, at war with its rank-and-file labor union base. Labor is now spending millions of dollars on a nationwide jihad to kill what would be one of President Clinton's most important foreign policy achievements: bringing China's 1.3 billion people under the rules of the World Trade Organization and into a long-term open trading relationship with the U.S.

There is only one way to heal this breach in the Democratic Party, and that is, first, for labor to be thoroughly defeated on this China vote.

Because only once this deal is passed, only once one-fifth of humanity — the Chinese people — have been brought into the W.T.O. and into an open-ended trading arrangement with the U.S., will labor's leadership have to conclude that, at least for now, it is time to stop fighting over *whether* we globalize and to start focusing instead on *how* we globalize. Labor then might finally put forward a positive global agenda that addresses how to strengthen U.S. workers — other than by pushing hidden and real trade barriers. Labor's failure to do that up to now has only been eroding its own power and has put it in a reactionary corner with Patrick Buchanan.

But while defeating labor on this issue is necessary, it's not sufficient. As dangerous as losing this China trade bill would be for the Democratic Party, and the country as a whole, equally dangerous would be if the winners treat victory on this bill as a final victory against all the forces in this country uncomfortable with globalization, and therefore a free pass to forget the concerns about free trade.

I disagree with labor's stand on China, but the zeal with which labor's rank and file have fought this war, and the passive support the unions clearly have around the country, underscore that there are real anxieties out there — about globalization, about losing manufacturing jobs to lower-wage countries, about people feeling that they are not winning from this new economy the way they would like

— that would be reckless to ignore.

If at this time of rising prosperity in the country as a whole, with unemployment at record lows for all sectors of the population, a bill to extend permanent normal trade relations to China can win only by one vote, then, folks, we have a problem. Imagine what will happen when we have our next, inevitable, recession and unemployment really rises. There could be

Getting China into the W.T.O. would also help labor.

a ferocious backlash against all these free-trade initiatives and a real mass move to put back the walls.

That's why now is the time to be addressing the anxieties and myths about globalization. That is what a united, progressive Democratic Party agenda should be about. But while progressive politics requires a labor base that is ready to embrace the new economy, it also requires business and government leaders ready to finance the training programs, health care reforms, public education programs and labor laws that give workers the security to try to master change rather than stop it, and to open up, rather than hunker down.

Right after this vote, if labor loses, would be the ideal time for a labor-government-business conference in which government and business say to labor: Look, we know you have concerns; what can we do to address them without putting up walls?

I believe you dare not be a globalizer in this world (and this is business' mistake), an advocate of free trade and integration, without also being a social democrat, ready to spend what it takes to bring the have-nots, know-nots and left-behinds along — otherwise they will eventually shut the doors on you. But you dare not be a social democrat today (and this is labor's mistake) without also being a globalizer, because without embracing globalization and free trade you will never have all the resources, markets, immigrants and knowledge needed to keep generating rising incomes to redistribute.

The trick is finding the right balance. Defeating labor on this China bill is necessary for that, but it will be sufficient only if the winners also draw the right conclusions.

Gail Collins is on vacation.

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Weekly Reports for the Week Ending May 19, 2000:

Copies:

- Tab A - Baily, Podesta
- Tab C - Sperling, Podesta
- Tab D - Reed, Chow, Podesta
- Tab E - Ballentine Memo to Ballentine, Podesta
- Tab F - Lane, Podesta
- Tab G - Entire Report to Ibarra, Podesta
pg. 1 to Currie, Hernreich
- Tab H - Marshall, Balderston, Podesta
- Tab I - Ucelli, Cutter, Podesta
- Tab M - Johnson, Podesta
- Tab O - Entire Report to Moore, Podesta
p. 5 to Ricchetti

Tab A - Baily/Podesta
Tab C - Sperling/Podesta
Tab D - Reed/Chow/Podesta
Tab E - Ballentine Memo:
Ballentine/Podesta
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Ibarra/Podesta
pg 1: Currie/Hernreich
Tab H - Marshall/Balderston/Podesta
Tab I - Ucelli/Cutter/Podesta
Tab M - Johnson/Podesta
Tab O - Moore/Podesta / Riddetti p. 5

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WEEKLY REPORTS
FOR THE WEEK ENDING
MAY 19, 2000

5-22-00
THE WHITE HOUSE
WASHINGTON

May 20, 2000

MR. PRESIDENT:

Attached are the following weekly reports:

- (A) **Weekly Economic Briefing**
- (B) **Update on Global Markets/Interest Rates and Stock Prices**
- (C) **NEC**
- (D) **DPC**
- (E) **CEQ/Office of Environmental Initiatives**
- (F) **OSTP**
- (G) **Intergovernmental**
- (H) **Cabinet Affairs**
- (I) **Communications**
- (J) **Legislative**
- (K) **Public Liaison**
- (L) **Special Envoy for the Americas**
- (M) **Race Initiative**
- (N) **Indian Affairs**
- (O) **Political Affairs**

Sean Maloney 

WEEKLY ECONOMIC BRIEFING OF THE PRESIDENT OF THE UNITED STATES

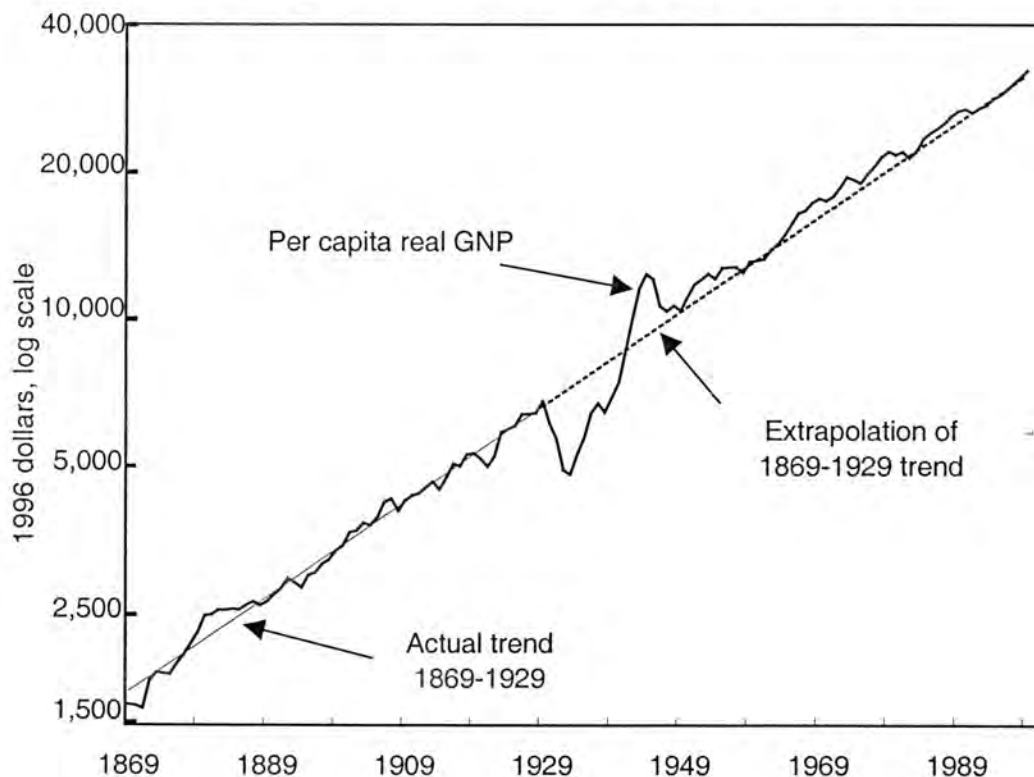
Prepared by the Council of Economic Advisers
with the assistance of the Office of the Vice President

May 19, 2000

copied
Bailey
Porter

CHART OF THE WEEK

The Long-Run Trend in Per Capita Real GNP



The BEA recently released revised estimates of GNP going back to 1929. The long-run trend in per capita real GNP growth has been amazingly constant at 2.2 percent per year over the last 130 years. In fact, if one simply extrapolates the trend from 1869 to 1929—shown by the dashed line in the chart—the error in predicting per capita real GNP in 1999 is only 2 percent. Of course, the economy has veered off this long-run trend for extended periods, the pronounced examples being the Great Depression and World War II.

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"We would like to be genetically modified to taste like Brussels sprouts."

SPECIAL ANALYSIS

South Africa: The Employment Struggle

The South African government has taken vital steps in improving its economy, including establishing fiscal discipline and reducing import barriers, but the abysmal performance of the labor market remains the economy's Achilles heel. Without a dramatic increase in economic growth, unemployment will remain stubbornly high.

Working. Since assuming power in 1994, the African National Congress (ANC) has made progress in several dimensions. Budget policy has been disciplined. The consolidated general government deficit has been brought down from 5.6 percent of GDP in 1994/95 to 2.4 percent in 1998/99. At the same time, spending has been reoriented away from defense towards social needs such as education, health, and justice. In addition, tariff reductions have opened up the economy. Economic restructuring has boosted productivity growth, and GDP growth has averaged 2.5 percent per year—a marked contrast from the stagnation that characterized the final years of apartheid. Assuming recent problems in Zimbabwe do not have adverse effects, growth this year is expected to be between 3 and 4 percent.

Not working. But even growth rates of 4 percent are likely to be associated with higher unemployment. The South African labor force is growing at about 2.7 percent per year. This implies that if output per worker rises at 4 percent per year, as recorded between 1993 and 1998, output must grow at almost 7 percent annually simply to keep the unemployment rate from rising. But it has not done so. The result has been declining employment under ANC rule, continuing a worrying trend that has led to a 16 percent overall reduction in non-agricultural employment since 1990. The ratio of employment to population in South Africa is now just 21 percent, compared with 44 percent in Brazil and 61 percent in Mexico.

South Africa's official unemployment rate of 22 percent in 1997 understates the problem by not counting discouraged workers. An official census survey, which did count discouraged workers, placed the unemployment rate at 37 percent. As with most economic issues in South Africa, the burden has been borne along racial lines; while unemployment was a fairly modest 4.3 percent for white men, it was as high as 55 percent for black women! Even relatively more educated black South Africans with a high school diploma had unemployment rates of 50 percent. Since employment has continued to fall since 1997, today's unemployment rate is even higher.

It goes without saying that the social consequences of such unemployment levels are dire. Workers, particularly those who are young and without skills, must fend for themselves in the informal economy by scrounging a living as hawkers, receiving largesse from others, or turning to crime.

Remedies. Despite several major initiatives, the ANC has yet to find a compelling growth strategy. To grow more rapidly, South Africa clearly needs to stimulate more investment. With a domestic saving rate of about 15 percent—far lower than is common in economies with rapid growth—the government is particularly eager to attract foreign capital. But foreign investors remain leery, citing high crime rates and labor laws that add to costs.



Notwithstanding the high levels of unemployment, workers continue to receive significant increases in real wages (see chart). Labor remains militant: In 1998 there were 520 strikes and work stoppages involving 321 thousand workers. Moreover, the South African labor movement continues to call for even tougher labor market regulations and slower privatization.

A third way? A hands-off policy which depends on even higher unemployment to reduce costs is unlikely to work. Similarly, an effort to break the power of the unions is not viable (and not desirable) given the close links between the ANC and the unions that were forged on the anvil of fighting apartheid. Nonetheless, increased labor-market flexibility in both work rules and wages—particularly those for less-skilled workers—is clearly called for. The key challenge, therefore, lies in formulating a tri-partite grand bargain in which each social partner brings something to the table. One approach would have labor agree to permit increased flexibility in return for a business commitment to increase investment in skills and affirmative action, while government agrees to provide macroeconomic stimulus.

Conclusion. The reconciliation phase following apartheid has gone surprisingly smoothly. What is now needed is a much more decisive approach to labor market problems so that Africa's leading economy, which is richly endowed with human and natural resources, can realize its full potential.

Competitive Effects of B2B Exchanges

Using the Internet, new Business-to-Business (B2B) electronic exchanges are being established where multiple buyers and sellers can negotiate contracts. For example, the big three automakers—Ford, GM, and Daimler-Chrysler—are planning to create a joint e-commerce exchange for automobile parts. Unlike a stock market where securities regulations govern transactions, these new exchanges are not heavily regulated. Antitrust laws still govern these businesses, however, and a reported antitrust inquiry into the automakers' operations has raised the issue of what type of oversight should be established in these new electronic marketplaces.

The growth of B2B exchanges. Many different industries are establishing Internet-based B2B exchanges for a variety of goods and services. In areas as diverse as paper, steel, aerospace, and defense, new B2B marketplaces are being announced. One major advantage of using electronic links to create these new marketplaces is that they lower the costs of reaching multiple buyers and sellers, creating deeper markets for many basic commodities. Where before specialized brokers were needed to match buyers and sellers in transactions, new websites today allow multiple buyers and sellers to find each other and enter into transactions for both commodity products and products needing more detailed specifications.

The automakers' joint venture. GM, Ford, and Daimler-Chrysler are planning to move a major portion of their procurement activity onto this new exchange. Together the three companies hope to move 60,000 suppliers and \$250 billion worth of orders to the Internet and lower their supply costs. In addition to the automakers themselves, many of their suppliers may also use the site to obtain bids for items they need, adding as much as \$500 billion in potential transactions to this new marketplace. Although they compete for automobile sales, each automaker would benefit from a more efficient and competitive purchasing system. GM has begun doing some electronic auctions for parts, and reports price reductions of 10 to 40 percent on some components.

Antitrust concerns. The Federal Trade Commission is said to be examining the automakers' joint venture. One potential concern is that if information on enough transactions between an automaker and its suppliers is available to competitors, that information could be used to facilitate coordination on output or pricing decisions. Paradoxically, having more information available in a concentrated industry can help a cartel raise prices. For example, airlines have long used electronic systems to convey information about airfares to consumers. These systems, however, also allow competitors to monitor each other's prices. In 1994, the Justice Department contended that major airlines used some types of information in this joint electronic fare system to increase fares and discourage discounting. A settlement with the airlines allowed them to continue to

disseminate fares electronically, but prohibited some of the ancillary information that they used to communicate with each other about future prices for airline tickets.

Analysis. B2B exchanges are likely to become an increasingly important part of the supply chain in many industries. Where these exchanges enhance efficiency and lower prices, existing antitrust guidelines state that such cooperative ventures among competitors are fully consistent with the agencies' interpretations of antitrust law. Indeed, the likelihood of having a positive, efficiency enhancing outcome in the automaker case is suggested by the reaction of sellers to the new exchange. Many suppliers are concerned that their profit margins may decline due to the greater competition that these B2B exchanges are designed to promote. However, those competitive pressures should benefit consumers by holding down the cost of new cars.

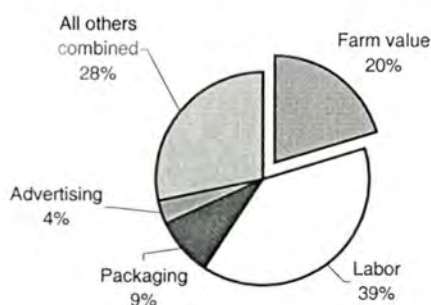
ARTICLE

Desire for Convenience Eats up Food Expenditures

Since 1980, the share of total personal consumption expenditures allocated to food in the United States has dropped from 18 percent to 13 percent, continuing a long-term trend downward. At the same time, more of America's food spending goes to convenience, both in the form of prepared foods and foods consumed away from home. This is one reason why the value of purchases from farmers is a diminishing fraction of the food dollar.

The farm value share has fallen... The USDA estimates that consumer spending on food originating on U.S. farms (including purchases at stores, restaurants, and other eating places) amounted to about \$585 billion in 1998. Of that total, the farm value—the amount that U.S. farmers received—accounted for roughly 20 percent (see chart), down from about 30 percent two decades ago. The rest—

What a Dollar Spent for Food Paid for in 1998



what the USDA calls the marketing bill—represents all the major functions of the food industry, including processing, wholesaling, transporting, and retailing.

...while the labor share has risen.

Rising labor costs have largely replaced declining farm value. Labor costs are the largest component of the marketing bill, and they have increased

from 31 percent of a food dollar in 1980 to about 39 percent in 1998. More food consumed away from home and greater demand for labor-intensive convenience foods prepared by supermarkets have likely contributed to this increase. (In fact, the USDA reports that expenditures for eating out accounted for 47 percent of total food spending in the United States in 1998, up from 39 percent in 1980.) The next largest component of the marketing bill is packaging, at about 9 percent of the food dollar. Somewhat surprisingly, advertising's share is relatively small—4 percent.

Implications. The quest for convenience is shaping consumer food expenditures. Away-from-home food expenditures are rising more rapidly than at-home food expenditures, and the farm value share of the food dollar is declining. In addition, some recent evidence suggests that greater convenience may, at times, result in poorer health. For example, when eating out, people often eat more or eat higher calorie foods and, according to the USDA, this tendency appears to be increasing.

BUSINESS, CONSUMER, AND REGIONAL ROUNDUP

Young Men Put Family First. Most young men highly value having a job schedule that allows for family time, with far fewer emphasizing money, power, or prestige, according to a new study. Eighty-two percent of men aged 21-39 said family time was very important, nearly the same percentage as women in that age group (85 percent). Breaking ranks with their fathers and grandfathers on the important issue of work-family integration, 71 percent of men aged 21-39 said they would give up some of their pay for more time with their families. While young men today are focusing on integrating work and family life, older generations of men tend to be more concerned with job satisfaction and status. The survey also showed that practically all young men claim to want to take an active role in raising their children.

Rural Health Woes. Residents of rural areas, in particular those not adjacent to metropolitan areas, are less likely to have health insurance or to have visited a doctor or health care professional, and are more likely to report fair or poor health. Much of these differences are probably linked to higher rates of poverty in rural areas. Only 63 percent of residents in rural counties not adjacent to urban areas had private insurance, well below the rates for residents of rural counties adjacent to urban areas (72 percent) and urban residents (75 percent). Public insurance coverage rates were higher in rural areas, but public coverage was not sufficient to overcome the private insurance gap: 22 percent of those living in rural areas not adjacent to urban areas were uninsured, compared to 18 percent of those in rural areas adjacent to urban areas and 14 percent in urban areas. Rural residents report worse health than urban residents on average, and they get less professional medical attention than their urban counterparts.

Health Insurance Tax Subsidy May be Costly. The continued rise in the number of Americans without health insurance has led to considerable interest in tax-based policies to raise the level of insurance coverage. A recent study estimates that a relatively generous tax subsidy—a refundable tax credit for health insurance spending capped at \$1000 for single filers and \$2000 for joint/head of household filers—would decrease the ranks of the uninsured by about 4 million, nearly 10 percent of the uninsured population. The average cost to government per newly insured person is estimated to be \$3,300, which is 50 percent more than the cost of a typical non-group policy. The reason for the high cost is that most of those receiving the subsidy already have insurance. The policy would also induce a substantial shift from group to non-group insurance (the study estimates that 25 percent of those who would take the subsidy were previously covered by their employer). Moreover, almost one-half of those taking up the subsidy would be persons who are currently already purchasing non-group insurance.

INTERNATIONAL ROUNDUP

War and Uncertainty Mar Prospects for African Economic Integration.

African leaders gathered in Mauritius this week to discuss the prospect of a Common Market for Eastern and Southern Africa (COMESA) Free Trade Area. The 21 member states of COMESA—with a total population of 385 million—had committed themselves in 1992 to the gradual elimination of all internal tariffs by October of this year. Nevertheless, progress remains slow and intra-COMESA trade remains paltry at \$4.2 billion in 1998, compared to total foreign trade of over \$60 billion, two-thirds of which are imports. A mechanism has been arranged to compensate qualifying members for the loss of government revenues associated with regional tariff removal, and COMESA is promoting numerous measures to appease protectionist sentiments that oppose exposing domestic industries to foreign competition. Wars and instability, however, continue to scar the continent and threaten progress on establishing the free trade area. More than half of COMESA members are either at war with each other or are fighting internal rebellions. Six are involved in the war in the Democratic Republic of the Congo, and Ethiopia and Eritrea last week resumed their border conflict.

College Enrollment Rising in OECD. While the United States continues to enjoy relatively high rates of university-level attainment, enrollment in other OECD countries appears to be catching up. According to new OECD data, enrollment in university-level programs grew by more than 50 percent between 1990 and 1997 in eight countries and by more than 20 percent in all but five OECD countries. At today's enrollment rates, 40 percent of young people in the OECD will enter bachelor degree or higher programs at some point in their lives, nearly equal to the 44 percent enrollment rate in the United States. While the percentage of students who enter these programs is increasing, not everyone completes a degree. On average, one-third of university-level entrants in the OECD drop out (the drop-out rate in the United States was 37 percent). The United States is one of the few countries where the private sector participates significantly in funding college and university education: 49 percent of funds for tertiary institutions come from private sources, more than twice the OECD average of 23 percent.

Developing Countries to Receive Free Genetically Modified Rice. The inventors of rice genetically modified to combat Vitamin A deficiency have struck a deal with the pharmaceutical company AstraZeneca that will give farmers in developing countries free access to the grain. This "golden rice" is a genetically altered grain fortified with beta-carotene that converts to Vitamin A. Vitamin A deficiency afflicts an estimated 124 million people worldwide and results in the deaths of up to 2 million children each year. Under the new agreement, the rice will be distributed free to national and international research organizations in developing countries. Local farmers will be permitted to earn up to \$10,000 annually growing this rice, without paying royalties. AstraZeneca will market the rice in developed nations for profit. The company said that the earliest date of availability for local planting and consumption would be 2003.

RELEASES THIS WEEK

U.S. International Trade in Goods and Services

****Embargoed until 8:30 a.m., Friday, May 19, 2000****

The goods and services trade deficit was \$30.2 billion in March; the deficit was \$28.7 billion in February.

Consumer Price Index

The consumer price index was unchanged in April. Excluding food and energy, consumer prices rose 0.2 percent.

Housing Starts

Housing starts rose 3 percent in April to 1.663 million units at an annual rate.

Industrial Production and Capacity Utilization

The Federal Reserve's index of industrial production rose 0.9 percent in April. Capacity utilization rose 0.4 percentage point to 82.1 percent.

MAJOR RELEASES NEXT WEEK

Gross Domestic Product (Thursday)

Advance Durable Shipments and Orders (Friday)

U.S. ECONOMIC STATISTICS

	1970- 1993	1999	1999:3	1999:4	2000:1
Percent growth (annual rate)					
Real GDP (chain-type)	2.9	4.6	5.7	7.3	5.4
GDP chain-type price index	5.2	1.6	1.1	2.0	2.7
<u>Nonfarm business (NFB) sector:</u>					
Productivity (chain-type)	1.7	3.7	5.0	6.9	2.4
Real compensation per hour:					
Using CPI	1.0	1.7	2.0	0.9	0.3
Using NFB deflator	1.5	2.9	4.0	1.8	1.8
Shares of Nominal GDP (percent)					
Business fixed investment	11.4	12.6	12.7	12.5	12.9
Residential investment	4.5	4.4	4.4	4.4	4.4
Exports	8.2	10.8	10.8	10.9	10.8
Imports	9.2	13.5	13.8	14.0	14.2
Personal saving	6.6	1.7	1.5	1.3	0.5
Federal surplus	-2.8	1.2	1.4	1.2	N.A.
	1970- 1993	1999	February 2000	March 2000	April 2000
Unemployment Rate (percent)	6.7**	4.2**	4.1	4.1	3.9
Payroll employment (thousands)					
increase per month			27	458	340
increase since Jan. 1993					21615
Inflation (percent per period)					
CPI	5.8	2.7	0.5	0.7	0.0
PPI-Finished goods	5.0	2.9	1.0	1.0	-0.3

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

New or revised data in **boldface**.

FINANCIAL STATISTICS

	1998	1999	March 2000	April 2000	May 18, 2000
Dow-Jones Industrial Average	8626	10465	10483	10944	10777
Interest Rates (percent per annum)					
3-month T-bill	4.78	4.64	5.69	5.66	5.75
10-year T-bond	5.26	5.65	6.26	5.99	6.56
Mortgage rate, 30-year fixed	6.94	7.43	8.24	8.15	8.64
Prime rate	8.35	8.00	8.83	9.00	9.50

INTERNATIONAL STATISTICS

Exchange Rates	Current level May 18, 2000	Percent Change from	
		Week ago	Year ago
Euro (in U.S. dollars)	0.895	-0.8	-16.1
Yen (per U.S. dollar)	108.7	0.2	-11.8
Major currencies index (Mar. 1973=100) (trade-weighted value of the U.S. \$)	100.1	0.7	5.0

International Comparisons ^{1/}	Real GDP growth (percent change last 4 quarters)	Unemployment rate (percent)	CPI inflation (percent change in index last 12 months)
United States	5.0 (Q1)	3.9 (Apr)	3.0 (Apr)
Canada	4.7 (Q4)	6.8 (Mar)	3.0 (Mar)
Japan	0.0 (Q4)	5.0 (Mar)	-0.5 (Mar)
France	3.1 (Q4)	9.8 (Mar)	1.5 (Mar)
Germany	2.3 (Q4)	8.4 (Mar)	1.9 (Mar)
Italy	2.1 (Q4)	11.3 (Jan)	2.5 (Mar)
United Kingdom	3.0 (Q4)	5.9 (Jan) ^{2/}	2.6 (Mar)

1/ For unemployment data, rates approximating U.S. concepts as calculated by the U.S. Department of Labor, Bureau of Labor Statistics, except as noted in footnote 2.

2/ Data from OECD standardized unemployment rates.

5 22-00
THE WHITE HOUSE
WASHINGTON

May 19, 2000

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MEMORANDUM FOR THE PRESIDENT

FROM: GENE SPERLING

SUBJECT: NEC WEEKLY REPORT

Budget surplus for FY2000 up substantially: Treasury this week released its regular financial report showing that the surplus for the first seven months of FY2000 was \$124 billion -- the same as the surplus for all of FY1999. Treasury's internal estimate is that the surplus this year will exceed \$235 billion, and could even exceed \$250 billion (in our February budget we projected a surplus of \$167 billion). There have been new reports saying that some Republicans would like to use the Mid-Session Review estimates as a justification for increasing the spending in their appropriations bills to a level that would be near your request. The Senate would have to overcome procedural hurdles -- and strong opposition from Conservatives -- to increase spending above the budget resolution levels. We will have to strategize how to leverage their need to go above the budget resolution to our greatest advantage.

China PNTR: Levin Proposal on Enforcement and Other Issues: As you know, Levin and Bereuter released their parallel legislation on Friday morning. We still have differences on several important areas. Most importantly, the legislation's definition of the PRC would include state-owned firms. This definition would encompass Chinese firms that are private sector managed but have nominal relationship to some Chinese government entity, and moreover, would include joint ventures between foreign enterprises and Chinese state owned firms where the foreign party has a 49% stake or less. Business has also expressed serious concern about the subpoena power for the Executive-Congressional Commission Levin would create.

Joint US-China Environmental Statement: On Friday morning, the US and China signed a joint statement on environment and development. This is China's strongest statement to date recognizing that countries can "achieve sustained economic growth while protecting the environment and taking actions to combat climate change." The Vice President issued a press release noting that this joint statement is a continued evolution of China's thinking -- and a product of the ongoing dialogue between the US and China on these issues. Environmental issues have not played a major role in the PNTR debate, but there is some thinking that Congressmen Waxman and Holt will see this as a positive development.

Bankruptcy: The informal bankruptcy conferees reached tentative agreement on Wednesday on most of the issues. We think that the result is slightly closer to the Senate bill than to the House bill, but there were significant compromises made to the House. In some cases where we liked the House language better, the less attractive Senate language prevailed. Based on this agreement, Feingold and Wellstone wrote you urging a veto. Seven "member level" issues were left open. Daschle then presented Lott with what purported to be the united view of Senate Democrats on the open issues. We sought to convince 34 Democrats to sign a letter saying that they would oppose the bill if the key open issues were not resolved in their favor (following which we would send a veto threat to the same effect), but Torrecelli and Biden refused and Daschle would not do the letter without them. The House and Senate Republicans then agreed on a unified Republican position on each open issue. We have not yet seen the actual language, but we have very serious concerns with what we have heard. No final decision has been announced on the vehicle. (You will recall that no bankruptcy conference has been formally convened because of procedural snags, so they must attach this to other moving legislation.) We understand that crop insurance remains a likely choice. That would pose problems for Senator Leahy, who would oppose the final bankruptcy bill (if it contained the Republicans resolution of the open issues), but strongly supports the Crop Insurance bill (and the \$7.1 billion in AMTA payments to support farm incomes). *We will provide you with a more detailed analysis of the final bill for your consideration.*

Digital Signatures: On Monday, the House and Senate Republican conferees released a conference draft and a plan to convene the Conference on Wednesday to "ratify" their decision. The Administration worked quickly with the Democratic conferees to develop a list of serious concerns with the draft. The most serious concerns involve: (1) consumer protection -- requiring a mechanism to ensure that consumers have the technical capacity to access electronic notices and records they receive; (2) federal authority -- ensuring federal agencies can provide interpretative guidance on the application of the new electronic rules to existing disclosure requirements; and (3) law enforcement -- protecting the taxpayers against fraud by ensuring federal agencies can require that records be retained in a form that is accessible to law enforcement, program auditors, and Inspectors General. Secretary Summers told reporters we were disappointed, but very interested in resolving our concerns and getting a bill. Faced with unified Democratic opposition, Chairman Bliley convened the Conference only for opening statements on Wednesday and directed staff to work together on the concerns. Formal meetings of Administration and conference staff continued, while parallel meetings between Bliley's staff, Senate Democrats, and the Administration occurred in secret. The later meetings produced a "deal" with Bliley that addresses the bulk of our concerns satisfactorily -- a far better result than we ever expected. Bliley is taking that draft to Senator Gramm, who is the only real opposition to our position. We expect that we may need to make some further concessions to Gramm to get the bill out of conference.

Oil: After reaching nearly \$34 per barrel in early March for West Texas Intermediate (WTI) crude oil, prices dropped approximately \$10 per barrel over the following month. Since early April, however, prices have steadily increased. WTI closed at \$30.33 per barrel during trading on Thursday, May 18th. The recent run-up in prices reflects concern that the announced increase in OPEC oil production is insufficient to both rebuild inventories and meet increased oil demand over the second half of the year. DOE currently expects WTI oil prices to remain above \$25 per barrel for most, if not all, of the remainder of 2000. DOE believes that increasing production by about 1.3 million barrels per day above current levels during the second half of the year, would allow worldwide inventories to recover to more normal levels. Combined with normal temperatures this winter, increased production could allow prices to drift down towards the lower end of the \$20-\$25 per barrel range, leading to lower prices for oil products such as gasoline and heating oil as well. OPEC will meet in late June, but Secretary Richardson believes that there is only a small possibility of a 500,000 barrel or less increase. There is a general consensus among energy principals that a high profile effort by the United States to encourage increased production will not work, and that any effort must be perceived as being led by the Saudis. Gas prices have also risen the past two weeks, from a nationwide average for self-service unleaded regular of \$1.42 per gallon on May 1 to \$1.492 per gallon on May 15. EIA now expects a nationwide average of \$1.50 per gallon for self-service regular gas. WTI closed above \$30 per barrel (\$30.33) on Thursday May 18th for the first time since March, and closed the week at \$29.89.

Electricity: In most areas of North America there should be sufficient electricity to meet this summer's peak demand. There are, however, some regions of particular concern. Based on preliminary information, DOE and the utility industry believe that the electricity situation could be particularly tight in New York and New England, Wisconsin and Upper Michigan, California, and Arizona, New Mexico, and Southern Nevada. The actual reliability of the electrical grid will be a function of weather (*i.e.*, long term heat waves) and the loss of generation or transmission facilities due to equipment failure. The National Weather Service is forecasting a hotter than normal summer for most of the United States. The federal government has very few levers to materially affect the summer 2000 electric reliability equation. Secretary Richardson is holding meetings around the country to warn people of the need to conserve in the short term and of the importance of passing electricity restructuring legislation in the long term. Next week DOE is conducting a simulation to prepare to respond to a summer heat wave. DOE is also announcing next week the opening of a new Office of Energy Emergencies, which will coordinate responses to power outages and other emergencies and conduct regular reviews of potential problems with the nation's energy infrastructure. The NEC is working with DOE to examine additional steps to reduce the likelihood of summer outages.

THE WHITE HOUSE
WASHINGTON

5-22-00

May 19, 2000

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MEMORANDUM FOR THE PRESIDENT

FROM: Bruce Reed
Barbara Chow

SUBJECT: DPC Weekly Report

1. Tobacco – Federal Litigation: The Senate Agricultural Appropriations bill includes a provision that would repeal the authority of the Department of Justice to accept reimbursements from client federal agencies to handle litigation involving unusually high costs. This provision is intended to prohibit agencies from assisting Justice with the costs of the Federal tobacco litigation, but would effect more than the tobacco litigation. For the five years that this authority has been in place, Justice has been reimbursed more than \$338 million for litigation that could mean more than \$36 billion to the Federal government. The Senate provision would require Justice to return funds it has already received from the Departments of Health and Human Services, Defense and Veterans Affairs, to help prepare the tobacco lawsuit. You issued a written statement Wednesday, urging Congress to reject this blatant effort to protect special interests.

2. Tobacco – Advertising: New analysis of tobacco magazine advertising reveals that tobacco companies are increasing advertising aimed at children since the settlement between the tobacco industry and states in 1998. Research released from the Massachusetts Department of Public Health shows that advertising in magazines with 15 percent youth readership or higher increased almost 33 percent between 1998 and 1999. Another study by the American Legacy Foundation finds that eight of the top ten cigarette brands each reached at least 70 percent of 12-17 year olds five or more times with magazine advertising in 1999.

3. Tobacco – Frist-McCain Bill: On Tuesday, Senators Frist and McCain introduced a new FDA bill that unfortunately was much weaker than the bill both Senators supported in 1998. The new bill would substantially weaken the FDA's authority over tobacco sales and marketing as compared to FDA's 1996 rule. It would require FDA to conduct its rulemaking process over again, guaranteeing years of delay. In addition, the new bill would also require that certain decisions about nicotine be made by Congress, instead of by the FDA based on science.

7. **Health-Care Clinical Trials:** Next Tuesday, we are tentatively holding time for you to announce new consumer protections for patients participating in clinical trials. These protections, which you asked HHS to develop, are designed to address concerns raised by reports of unexpected deaths of clinical trial subjects and new evidence that those conducting trials are not appropriately obtaining adequate informed consent from clinical trial participants. This announcement is timed to precede an oversight hearing by the Senate Labor Committee on Thursday. It will include new requirements that mandate: (1) clinical researchers conducting trials with human subjects to complete a bioethics training course before renewal of this funding; (2) institutional review boards (IRBs) responsible for the oversight of research nationwide to audit subjects' study records annually to ensure that informed consent has been appropriately obtained; (3) clinical investigators to reconfirm study subjects' consent to participate in the trial if the investigator has received a confirmed report that individuals participating in the same or a similar clinical trial have died or experienced a severe and unexpected decline in their physical conditions; and (4) all clinical trials using human subjects to share information on adverse clinical events with the independent review board overseeing their research. In addition, HHS will announce that it is beginning a community consultation process to determine the most appropriate and effective way to address financial conflicts of interest within clinical trials.

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THE WHITE HOUSE
WASHINGTON

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May 19, 2000

MEMORANDUM FOR THE PRESIDENT

FROM: ROGER BALLENTINE

RE: OFFICE OF ENVIRONMENTAL INITIATIVES WEEKLY

Climate Change

Press, Science and Industry

Sooty smoke and aerosols, once believed to help counteract the effects of global warming by facilitating cloud formation, may actually worsen the problem by making clouds less dense, NASA scientists reported in the journal *Science* (5/11). Clouds help cool the Earth by bouncing solar radiation back into the atmosphere.

A *New York Times* story (5/16) by lead science reporter Bill Stevens contends that a recent UN International Panel on Climate Change report may have overstated the potential of so-called "carbon sinks" to help alleviate global warming. The story notes that while more than half of all CO₂ emitted is absorbed by the oceans, plants and soils, many scientists believe that our ability to use the "terrestrial biosphere" to absorb CO₂ is limited. The rules governing carbon sinks is among the keys issues on the agenda at the Kyoto Protocol negotiations at The Hague in November.

Legislative

Senate Commerce Committee Chairman McCain held a hearing on the science of global warming Wednesday at which leading climate scientists testified. McCain admitted that there is "mounting evidence" that global warming was occurring and pledged to hold more hearings. The Commerce Committee hearing was the first held by the majority in Congress at which the real climate scientists were not contradicted in equal numbers by industry-paid naysayers.

Senators Orrin Hatch (R-UT) and Jim Jeffords (R-VT) introduced a bill this week to provide tax incentives to companies or individuals who purchase clean fuel vehicles. The bill also provides tax relief for the purchase of the fuel itself, and for companies that build the refueling stations. The bill would apply to vehicles powered by natural gas, propane, hydrogen, rechargeable batteries, or fuel cells.

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International

This week in Beijing, U.S. Ambassador Joseph Prueher and Madame Zhu Lilan, China's Minister of Science and Technology, signed a Joint Statement focused on climate change. The Statement is the latest result of the U.S.-China Forum on Environment and Development co-chaired by Vice President Gore and Chinese Premier Zhu Rongji. The document states that the United States and China "recognize that countries can achieve sustained economic growth while protecting the environment and taking actions to combat climate change." The two countries also express their willingness "to entertain new and creative thinking and approaches to cooperation between developed and developing countries on climate change."

UK Environment Minister Michael Meacher released a report this week showing that extreme weather could cost the UK more than one billion pounds over the next 50 years.

Lands Legacy

The House Appropriations subcommittee markup of the FY 2001 Interior appropriations bill significantly cuts your Lands Legacy request, allocating only \$246 million of the \$971 million you requested. This is not even half of the FY2000 enacted level of \$561. Full Committee markup is tentatively scheduled for May 25.

cc: The Vice President
John Podesta
Martin Baily
Steve Ricchetti
Chuck Brain
Lael Brainard
Charles Burson
George Frampton
Neal Lane
Jim Steinberg



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

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May 19, 2000

5-22-00

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MEMORANDUM FOR THE PRESIDENT

FROM: NEAL LANE *neal*

CC: JOHN PODESTA

SUBJECT: OSTP WEEKLY REPORT

McCain Concerned About "Mounting Evidence" on Global Warming

I testified before the Senate Commerce Committee on Wednesday regarding the science of climate change. Sen. McCain expressed concern about the "mounting evidence" pointing to global climate change and the potential for harm. McCain opened the hearing by announcing plans to hold several hearings on the issue of global warming because of the large number of young people he met while campaigning who cared about the issue. McCain, who has never expressed a public position on the issue, did say that when he "connects the dots it seems obvious that there is something going-on."

John

I used the hearing as an opportunity to join with Sen. Kerry to denounce the Knollenberg language contained in the Agriculture Appropriations bill that could seriously impede Administration attempts to carry out the best scientific research on global warming, as well as hinder our efforts to get developing countries to participate. I made it clear that the Knollenberg rider interferes with Presidential authority, that its bad for farmers, bad for consumers, and may in fact be unconstitutional. The AP and Reuters carried stories related to my comments on the language, and the *Washington Post* ran an editorial calling for the elimination of the rider. I will continue to work with other WH offices to ensure this language is removed.

PCAST Meeting Focuses on Partnerships

Yesterday your Committee of Advisors on Science and Technology heard from a range of experts on international energy technology partnerships. Secretary Richardson began the meeting by emphasizing the importance of the public-private partnerships for energy research and development, and Morley Winograd stressed the importance, and tremendous success, of your PNGV program. Additional speakers including John Holdren, Dan Reicher, David Hales and Larry Papay examined past experiences, identified key lessons learned, and how best to apply these to potential new opportunities in the international arena, building on the PCAST report, *Powerful Partnerships*. PCAST hopes to cooperate with the Business Roundtable as they explore ways to encourage industry to develop and deploy clean energy technologies in emerging markets.

U.S.-Mexico S&T Partnerships Strengthened

NSF Director Rita Colwell and I hosted a meeting on Wednesday with our counterparts from Mexico to discuss ways of strengthening our partnerships in science and technology. We agreed to expand cooperation in a number of areas, including science education for children and computer simulation of natural phenomena such as climate and earthquakes. In addition, this year's US-Mexico Binational Commission Meeting yesterday paid tribute to the late George

Brown, former Chairman of the House Committee on Science. George was an effective leader in building links between our nations in science and technology and instrumental in the establishment of the U.S.-Mexico Foundation for Science.

“Intelligent Design Theory” Moves from States and Localities to Congress

Until now, the creation-evolution debate has been active primarily at the state and local level, but a recent event held on Capitol Hill and hosted by a leading creationist organization may represent the start of a new effort to involve Congress in efforts to oppose the teaching of evolution. The conference focused on the “Intelligent Design Theory,” which gathers evidence to support the assertion that the origin and development of life and the universe is the work of an intelligent designer. The speakers presented their version of the scientific debate between evolutionary theory and intelligent design theory and addressed what they saw as the social, moral, and political consequences of teaching evolution. The event was co-sponsored and attended by Rep. Petri (R-WI), who is expected to take over as chair of the House Education and Workforce Committee next year if the Republicans retain control of the House. Other congressional co-hosts listed on the press release included House Science Committee members Roscoe Bartlett (R-MD) and Sheila Jackson-Lee (D-TX), and Education Committee member Mark Souder (R-IN). Senator Brownback (R-KS) made remarks at the event equating the Kansas anti-evolution activism with John Brown’s role in the abolition movement.

House and Senate Cut Education Research

The House and the Senate Labor/HHS Appropriations subcommittees cut your request for research and development in their mark-up of the Office of Education Research FY01 budget. The Subcommittee denied your request for an increase of \$30 million for this account which would include \$10 million to double the Education Department’s contribution to the Interagency Education Research Initiative (IERI). This Initiative would support large-scale, interdisciplinary research focused on understanding what educational strategies work and why in two key areas: early learning of foundational skills; and transitions to learning increasingly complex science and mathematics. This is a clear case of Republican rhetoric being far out in front of their actions. While we have seen substantial progress in rhetorical support for the IERI in both houses of Congress and in both parties, we continue to have to fight for appropriations for this extremely important program.

Atlantis Lifts-Off Carrying Olympic Torch

After having to scrub three launch attempts last month, Atlantis lifted-off today carrying the Olympic Torch into space. The mission will take the crew of seven to the International Space Station (ISS), delivering logistics and supplies, and preparing the Station for the arrival of the Zvezda Service Module, expected to be launched by Russia in July 2000. The shuttle will reboost the orbit of the ISS by 20 miles, which is necessary because the ISS has been losing one mile in altitude per week. The crew will also conduct one space walk to perform maintenance on the Space Station. This will be the third assembly flight for the Space Station.



00 MAY 19 PM8:02

5-22-00
THE WHITE HOUSE
WASHINGTON

May 19, 2000

MEMORANDUM FOR THE PRESIDENT

FROM: Mickey Ibarra *Mickey*
SUBJECT: Office of Intergovernmental Affairs Weekly Report
May 14-19, 2000

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CHINA/PNTR

White House IGA continues to build support on behalf of the Administration's China/PNTR efforts from state and local elected officials throughout the country. This week, the Council of State Governments (CSG) has passed a resolution in support of PNTR. In addition, Mayor Wellington Webb is circulating a letter to get signatures in support of PNTR from the US Conference of Mayors' Advisory Board. Finally, Mayor Ron Kirk (D-Dallas) wrote an op/ed printed in the *Dallas Morning News* urging support for China/PNTR.

GOVERNORS

Governor Jane Hull (R-AZ): Governor Hull requested to speak with you regarding a recent letter she sent pertaining to the issue of illegal immigration into Arizona. She has requested that the Administration deliver additional resources to Border Patrol officials in the State to help stem the flow of illegal immigrants across the border. White House IGA consulted with Deputy Attorney General Eric Holder, who has met with Governor Hull regarding this issue. Mr. Holder spoke to the Governor again today to discuss her concerns. IGA will work with Justice and the Governor to be as responsive as possible. Attorney General Reno and Doris Meissner have also been briefed.

Governor Bill Owens (R-CO): Governor Owens sent a letter to Secretaries Glickman and Babbitt announcing that he has indefinitely suspended all active, state-issued permits that would allow prescribed burns on federal lands in the State of Colorado and has placed a moratorium on all pending federal burn permits. This matter has been referred to the Office of White House Counsel, which is reviewing the legal basis, if any, of the Governor's actions.

CITY/COUNTY OFFICIALS

Philadelphia Gun Litigation: After your telephone conversation with Mayor Street last week and follow up discussions with the City by IGA and HUD, Philadelphia has acceded to our request that they settle their lawsuit with Smith & Wesson according to the terms of the broader settlement reached in March. Secretary Cuomo and Bruce Reed both regard Philadelphia's action as an important and helpful development in the gun litigation.

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Local Government Briefing: On May 17, IGA hosted a briefing for representatives of cities and counties, including Los Angeles, Atlanta, Boston and others. Staff from CEQ, USTR, and the Millennium Council were present to share their policy priorities, which included Lands Legacy, China PNTR, and the National Moment of Remembrance. The local government representatives expressed their continued appreciation for the Administration's level of engagement on these issues and other areas of concern to our partners in government. This meeting was the first of a monthly series of briefings that we plan to conduct on the budget process and the Administration's policy priorities.

Oklahoma City: In response to the concerns of the City and the Murrah Building National Memorial officials, GSA has announced that it will depart from the standard procedure to build a new downtown federal office building in Oklahoma City, bypassing the usually-required advance commitments from tenant agencies. After meeting with IGA and Cabinet Affairs on this issue following your trip to Oklahoma City on April 19, Bob Peck, GSA Commissioner of Public Buildings, indicated that the project to replace the Murrah Building will go ahead and will be completed on schedule. Mayor Kirk Humphrey (R) expressed his appreciation to me by phone and in a press statement along with others.

SELECTIVE SERVICE SYSTEM

On May 16, Secretary Riley and I participated in a media event with Gil Coronado, director of the Selective Service System, to announce the first state-by-state report card of registration compliance by 18 year-old males. New Hampshire led the list at 95% compliance, while Hawaii was last at 73%. This effort was intended to raise awareness of this longstanding requirement in light of annual decreases in the compliance rate over the last several years. IGA will work with local and state elected officials to encourage them to assist the Selective Service System raise compliance rates.

FEDERALISM EXECUTIVE ORDER

Pursuant to the Executive Order on Federalism that you signed last August, IGA and OMB co-hosted a meeting with state and local government representatives to review progress on the implementation of the Order. The Big 7 groups and others largely expressed satisfaction with the agencies' performance in this regard, noting that the level of consultation prior to rulemaking has noticeably increased in the last six months.

INSULAR AREAS

Vieques: In a significant victory for your directives, the House, voting 218-201, deleted provisions from the Armed Services Committee's Defense Authorization bill that would have conditioned your proposals (for a \$40 million transfer of 40% of the Navy's land to local ownership) on a resumption of the use of explosive ordinance. The Committee replaced those

provisions with your original land transfer proposal. IGA completed two conference call briefings this week for Puerto Rican elected officials living on the Mainland. The amendment was sponsored by Ike Skelton (MO), the ranking Democrat on the Committee, and by Resident Commissioner Carlos Romero-Barcelo (D-PR); IGA coordinated the Administration's efforts regarding the amendment. A similar debate is ongoing in the Senate -- Readiness Subcommittee Chairman James Inhofe (R-OK) has said he may offer an explosive ordnance use requirement, while Carl Levin, (MI), the ranking Democrat, has said that he might offer an amendment similar to Representative Skelton's.

The explosive ordnance proposals generated opposition from a dozen national Hispanic and civil rights organizations, which compared them unfavorably with your proposals (and your agreement on the issue with Governor Rossello). However, the Puerto Rico Commonwealth Party gubernatorial candidate, Sila Calderon (I), said the agreement lacked guarantees and, after a meeting in New York, the First Lady apparently agreed.

Puerto Rico Status: Governor Rossello and the Independence Party representative in the Puerto Rico Senate have asked that you renew your efforts to help resolve the islands' status issue.

THE WHITE HOUSE
WASHINGTON

5-22-00

May 19, 2000

MEMORANDUM FOR THE PRESIDENT

FROM: THURGOOD MARSHALL, JR. **T.M.**
KRIS M. BALDERSTONCopied
Marshall
Balderston
PadestaSUBJECT: Summary of Cabinet Weekly Reports
May 13 - 19, 2000AMPLIFICATION OF PRESIDENTIAL INITIATIVES

- **Los Alamos Wildfire:** Cabinet Affairs has been holding daily conference calls with the Chief of Staff's office and DOI, USDA, DOC, DOE, EPA, FEMA, and OMB to coordinate the federal response to the Los Alamos Wildfire. As of this afternoon, the fire burned 47,650 acres, destroyed or damaged 235 buildings and homes, and is being battled by 1,139 people. The fire is now 70 percent contained and wind forecasts provide a positive containment and suppression outlook. On May 18, Secretary Babbitt held a press conference to announce the preliminary investigation results that indicate a chain of errors by the federal agencies in setting a prescribed burn at the Bandelier National Monument. In addition, the Secretary announced that an Independent Review Board will post its findings and recommendations, based on the investigation team's report, next week. OMB held meetings with staff from NM's Congressional delegation to discuss legislative proposals and resolves for the victims. As a result, Cabinet Affairs and OMB will hold conference calls, starting today and continuing, with the relevant Cabinet agencies, Counsel's office, and DOJ to discuss the progress of legislation and compensation to the victims.

DEPARTMENT OF TREASURY

- **Russia:** On May 23, Secretary Summers will meet with former Russian First Deputy Prime Minister Chubays and, on May 24, with recently-appointed Russian Presidential Advisor Illarionov. Chubays, currently head of the Russian electricity monopoly, will discuss the political and economic dynamic in the new Russian government. Advisor Illarionov is likely to discuss Russia's economic situation and economic issues related to the upcoming G-8 Summit on July 21-23.

- **Firearms Conference:** On May 23, Secretary Summers, along with Attorney General Reno, will deliver opening remarks at the National Firearms Trafficking Training Conference, co-sponsored by Treasury and DOJ. The purpose of the conference is to enhance collaboration among 33 teams of Assistant U.S. Attorneys, District Attorneys, Alcohol, Tobacco, and Firearms special agents, and local police officers in pursuing illegal firearms traffickers in selected cities. Experts from the academic, legal, and investigative communities will share "best practices" and will highlight the resources available to aid investigative and prosecutorial efforts.
- **Romania:** On May 23, Secretary Summers will meet with Romanian Prime Minister Isarescu, who is expected to seek support for Romania's IMF program. After a lengthy delay, Romania has reached an agreement with the IMF on terms which will allow the disbursement of funds under its stand-by arrangement. Secretary Summers will encourage the Government of Romania to take certain actions prior to the loan's being approved.
- **Predatory Lending:** On May 19, the fourth of five regional forums on predatory lending was held by the Joint Treasury-HUD Task Force in Baltimore, MD. The forums are being held in order to obtain detailed information on predatory lending, which relates primarily to abusive practices in home mortgage lending to vulnerable populations, such as the elderly and those with lower incomes. On May 24, Under Secretary for Domestic Finance Gensler will be testifying, along with banking regulators and HUD officials, on predatory lending issues before the House Banking Committee. On June 15, the Joint Treasury-HUD Task Force will release its report setting forth recommendations regarding predatory lending practices.
- **Telephone Excise Tax:** On May 17, the House Ways and Means Committee approved, by voice vote, a phased-out repeal of the federal excise tax on communications. A repeal of this tax would cost approximately \$20B over the next five years, and would be paid for out of the non-social security budget surplus. On May 17, Secretary Summers sent letters to Chairman Archer and Ranking Member Rangel stating that the Administration supports a phase-out of the tax, but believes it should only be enacted in the context of an appropriate, overall budget framework.
- **Corporate Tax Shelters:** On May 12 and 15, Secretary Summers held meetings with selected members of the legal and investment banking professions to seek assistance in curtailing the problem of corporate tax shelters. Legislative proposals regarding corporate tax shelters were included in your FY2001 Budget. On May 11, Treasury and the IRS requested comments from legal, investment banking, and other groups on heightened standards for ethical conduct before the IRS. Most groups who practice before the IRS agree that there is a significant problem with respect to corporate tax

shelters and that steps, similar to several of those proposed by the Administration, must be taken. Secretary Summers is scheduled to meet with representatives from the accounting profession on May 22.

DEPARTMENT OF JUSTICE

- **Klan Officer Convicted of Cross Burning:** On May 10, a security officer with the Ku Klux Klan in Indianapolis, IN, was convicted on federal charges relating to a 1996 cross burning in the front yard of a home of several Hispanic residents of Kokomo, IN. On several occasions prior to this incident, the defendants attended meetings of the local unit of the American Knights of the KKK, where they discussed their intention to burn crosses in Kokomo in order to drive blacks and other minorities out of the area. Previously in separate cases, two defendants pled guilty to federal civil rights charges in connection with a 1996 cross burning in the front yard of the home of a black family.
- **LA Police "Pattern or Practice" Lawsuit:** On May 8, Acting Assistant Attorney General Bill Lann Lee met with Los Angeles city officials to advise them that a lawsuit has been approved alleging that the Los Angeles Police Department is engaging in a pattern or practice of constitutional violations and that DOJ would be willing to delay filing suit if the city is willing to enter into settlement negotiations. City officials indicated that they are interested in discussing settlement and an initial meeting has been tentatively scheduled for the week of May 15. DOJ also met with the Mayor of Los Angeles to discuss settlement issues on May 10.
- **U.S. Requests Extradition of Embassy Bombing Suspects:** On May 2, two individuals who are wanted for their alleged involvement in the bombings of the U.S. Embassies in Kenya and Tanzania in August 1998 were committed for extradition by the Bow Street Magistrates' Court in London, England. They were arrested in the United Kingdom on July 11, 1999, pursuant to a U.S. provisional arrest request and are now awaiting the Home Secretary's decision on surrender to the U.S.. They have 15 days to apply for habeas corpus.
- **Community Schools:** The U.S. Attorney for the Western District of PA joined with the FBI in implementing a comprehensive school safety program, "Community Oriented Schools: Adopt a School." The program was developed by the FBI and was initiated in various school districts throughout the United States as a pilot in the 1998-99 school year. The mission of "Adopt a School" is to provide a comprehensive youth program that deals with problems such as drugs, gangs, and violence.

DEPARTMENT OF INTERIOR

- **Investigative Team for Los Alamos Fire:** Secretary Babbitt announced the Fire Investigative Team that will investigate the fire near Bandelier National Monument in Los Alamos, NM. The 24-member team includes fire management representatives from BLM, NPS, USFS, DOE, the National Weather Service, the NM Forestry Department, Santa Clara Pueblo, San Ildefonso Pueblo, and one representative each from Los Alamos, Santa Fe, and Rio Arriba Counties. The Team will gather and analyze information to determine if the Prescribed Fire Plan was adequate and if the Plan was followed. The Team will make recommendations for immediate and long-term actions to prevent similar occurrences. The Team will complete work by May 18. The findings of the Team will be reported to an Independent Review Board appointed by Secretary Babbitt. As of the morning of May 16, the fire has consumed 44,323 acres and is 35 percent contained. 1,262 persons are assigned to fighting the fire. After three days of good firefighting weather, the outlook for Tuesday is higher temperatures and stronger winds. Eighty percent of Los Alamos residents are being allowed to return to their homes. The damaged areas in the western and northern sections of town remain closed.
- **CALFED Update:** A Draft Environmental Impact Statement has been prepared by state and federal analysts. Secretary Babbitt and CA Governor Davis jointly committed to completing this phase of the CALFED planning process this summer with the issuance of a Record of Decision. Current discussions address the full range of CALFED program elements, including ecosystem restoration, water management (water use efficiency, water transfers, new storage, new conveyance, and watershed protection), water quality and levee stability in the Bay-Delta. Additional issues under discussion include the agencies' ability to provide regulatory assurances to water users under the Endangered Species Act, the amount of water needed to adequately protect listed species, and the development of an environmental water account. An announcement with respect to an agreed upon course of action as a result of these discussions may be issued as soon as June. On May 15, the Governor included \$125M in his revised budget to fund activities consistent with the upcoming Record of Decision. Additionally, the Governor's revised budget includes \$763.3M in newly approved bond money to protect and manage CA's water resources.
- **AK Coastal Submerged Lands:** AK has asked the U.S. Supreme Court to determine the ownership of certain coastal lands in southeast AK extending from Glacier Bay National Park and Preserve to the southern boundary of the Tongass National Forest. The case raises issues about whether AK or the federal government owns certain submerged lands along the southeast AK coastline and within the Tongass National Forest and Glacier Bay National Park and Preserve

UNITED STATES DEPARTMENT OF AGRICULTURE

- **NM Fire Update:** In response to the Cerro Grande fire, Secretaries Glickman and Babbitt have placed a 30 day suspension on prescribed burns for all Federal lands west of the 100th meridian. The Cerro Grande Fire is reported to have burned 46,830 acres and 235 homes. Dry and hot weather conditions continue to complicate firefighting efforts, and make firefighter safety a main concern. Other fires continue to burn actively in the southwest including the Outlet Fire in Grand Canyon National Park.
- **Appropriations:** The Agriculture Appropriations Bill, which funds all USDA programs except the Forest Service, continues moving forward in both Houses of Congress. The House and Senate versions of the bill could move to floor debate by May 25. While the Senate bill is acceptable, there remain a number of problems USDA would like addressed. Should it survive conference, the House version of the bill, due to limited funding and several objectionable riders, could instead draw a veto recommendation. OMB Director Lew has addressed these concerns in draft letters to each House, and USDA has prepared correspondence noting key concerns with farm aid, the need to pursue Administration farm safety net proposals, conservation funding levels, and food safety funding in each bill.
- **Commodity Markets:** Wheat prices rose on USDA's forecasts for lower U.S. and world stocks, weather concerns, and a slight boost in export sales. Rain in the Western Corn Belt sent corn and soybean prices lower. Rice prices dropped on prospects for a large crop and weakening export demand. Cotton prices moved up sharply on poor weather in Texas and USDA's forecast of a drawdown in world stocks. Ample supplies in feedlots drove cattle prices down. Declines in wholesale pork prices helped lead hog prices lower. Broiler prices rose in pre-Mothers' Day holiday food service demand. Cheese prices remained just above support, but butter prices rose as ice cream demand accelerated.

DEPARTMENT OF COMMERCE

- **China Compliance Work:** DOC's Compliance Assessment Officer arrived in Beijing during the week of May 8 and met with the U.S. Chamber and the U.S.-China Business Council to hear their compliance priorities. On the technical assistance front, DOC is finalizing the agenda for a team visit planned for July.
- **Anti-Counterfeiting Coalition:** On May 10, Acting Under Secretary for International Trade LaRussa met with the Brand Protection Group, a coalition of U.S. consumer goods companies doing business in Russia. The BPG highlighted the growing problem of counterfeiting of consumer goods in Russia and urged the USG to raise the issue with the Russian government during the upcoming presidential summit.

- **APEC Ministerial Meeting:** From May 22-26, DOC will lead the U.S. delegation to the APEC Telecom Ministers meeting in Cancun, Mexico. APEC ministers will debate a contentious proposal to create an accounting-rate system to regulate international charging arrangements for access to and transit over the Internet backbone. This proposal could adversely impact seven U.S. carriers that currently provide the majority of global Internet backbone capacity. Failure to resolve the issue at APEC may adversely impact efforts to contain similar regulatory attempts at the International Telecommunication Union meeting scheduled for September.
- **Iran Embargo Guilty Plea:** On May 8, Federal Parts International of Norcross, GA pleaded guilty in U.S. District Court in Atlanta to conspiracy to violate the U. S. embargo against Iran. Mehdi Azarin, company owner, and Farhad Azarin, the company's manager, pleaded guilty to charges of making false statements to federal investigators. On December 2, 1998, a federal grand jury returned an indictment against the corporation and the two men charging that the company conspired with German and Iranian companies to export automobile parts from the United States to companies in Iran in violation of the Iran embargo. Sentencing is scheduled for July 19. Special agents from DOC's Office of Export Enforcement's field office in Fort Lauderdale investigated the case.
- **North Korea Export Regulation:** DOC's Bureau of Export Administration (BXA) has received interagency comments on the proposed regulation to liberalize trade with North Korea. Generally, these comments were clarifications of language and not disagreements with the essence of the rule. DOE wanted, and BXA inserted, language strengthening the policy of denial for nuclear items related to the list of items being liberalized. BXA's Regulations and Procedures Technical Advisory Committee also submitted extensive comments. Once BXA obtains interagency agreement on the draft rule it will forward the regulation to OMB for final review.
- **Ultra-Wide Band (UWB) Proceeding:** The FCC approved a notice of proposed rule making for UWB. This promising new technology has generated controversy because of possible threats to GPS services. National Telecommunications and Information Administration (NTIA) worked with the FCC and other federal agencies to include a provision that will require UWB devices to demonstrate that their applications will not impose harmful interference with GPS before the devices will be approved to operate. NTIA is beginning to test some UWB applications at its Colorado lab and is working with DOD to obtain the financial resources to make further assessments. NTIA anticipates that the FCC will issue a final rule by the end of the year and hopes to have completed enough testing to make informed judgments on these new devices by that time.

DEPARTMENT OF LABOR

- **NM Fire Response:** Prompted by the fires in the counties of Los Alamos, Santa Fe and Sandoval in NM, the NM State DOL is prepared to serve workers that may lose their jobs as a result of the disaster and file claims for unemployment compensation. The office in Espanola has been closed as a result of 30,000 resident evacuations. Plans are being developed to handle an increase of Unemployment Insurance claims that may be filed by workers who are not able to reach their workplace or have lost their jobs due to the disaster. Facilities for potential mass claims are being identified and plans are being developed to serve UI claimants who have been evacuated from the disaster areas and are unable to receive mail at their home addresses.
- **Migrant Youth Grants:** DOL expects to announce the award of three grants totaling \$5M which will provide job training and related services to migrant and seasonal farmworker youth. These grant projects will offer occupational training which will afford migrant youths alternative employment opportunities outside of the agricultural industry.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

- **West Nile Virus Update:** On May 19, the West Nile investigative team will be at the CDC Fort Collins, CO, laboratory. GAO has initiated a study of last fall's West Nile outbreak from the perspective of lessons learned for bioterrorism preparedness and response. The study was requested by members of the NY delegation. The team plans to meet with representatives from CDC Atlanta, USDA, USGS and CIA. They will also meet with local and State representatives in the NY metropolitan area and expect that the preliminary assessment will be available in late June. On May 18, CDC scientists will meet with Senator Schumer to discuss West Nile-related activities.
- **Decline in U.S. Cancer Incidence and Death Rates:** On May 15, a new report released by the National Cancer Institute, the American Cancer Society, the North American Association of Central Cancer Registries, and the CDC, including the National Center for Health Statistics, showed the rate of new cancer cases and deaths for all cancers combined as well as for most of the top 10 cancer sites declined between 1990 and 1997 in the U.S. The report shows that the incidence rate -- the number of new cancer cases per 100,000 persons per year -- for all cancers combined declined on average 0.8 percent per year between 1990 and 1997. The report also includes a special section on colorectal cancer, which for the first time incorporates data from selected state and regional cancer registries participating in NAACCR's annual Call-For-Data.
- **New Fetal Oxygen Saturation Monitor:** On May 15, the FDA approved a new type of fetal monitor that measures oxygen saturation in the baby's blood as a sign of fetal health during labor and delivery. The new monitor, the OxiFirst Fetal Oxygen Saturation

Monitoring System, manufactured by Mallinckrodt/Nellcor Perinatal Business, Pleasanton, CA, represents the first major technological development in fetal monitoring since electronic monitoring was introduced in the 1960's.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

- **Predatory Lending:** HUD joined Treasury and Senator Schumer at the third of five joint regional forums to address predatory lending. At the forum, HUD released a study that analyzed 1998 data reported under the Home Mortgage Disclosure Act and documented the growth of the subprime market nationally. Subprime mortgage originations totaled some \$35B in 1994, less than five percent of all originations that year. By 1999, there were some \$160B in subprime mortgages, more than doubling the subprime share of the mortgage market to 13 percent.



Teacher Next Door Initiative: HUD's Teacher Next Door initiative will enable public and private school teachers to buy HUD-owned homes for half-price in economically distressed neighborhoods in New York State, in a move to help revitalize communities. Under the initiative, homes are offered for sale to teachers at 50 percent discounts off their advertised list price. The same group of homes are available for sale to police officers at half-price under HUD's companion Officer Next Door initiative. In addition to the 50 percent discount on the price of a home, teachers buying homes with mortgages insured by the Federal Housing Administration, which is part of HUD, can make the purchases with downpayments as low as \$100 under the Teacher Next Door initiative. FHA can also insure mortgages that cover costs of rehabilitating homes in need of repair.

- **Gun Buyback:** The Housing Authority of the City of Las Cruces, New Mexico will reprogram \$10,000 of its FY1999 Public and Indian Housing Drug Elimination Program grant funding (\$75,000) and will receive \$4,300 in matching funds from HUD for a total of \$14,300 for its Gun BuyBack Initiative. The Housing Authority's goal is to remove approximately 285 guns off the street in an effort to reduce the number of accidental shootings, suicides, domestic and gun violence in and around public housing. The demographics of Las Cruces places them near the Texas/Mexico border which allows for easier access to smuggled weapons. The Housing Authority and the Las Cruces Police Department are joining forces along with local business to implement this program.

DEPARTMENT OF TRANSPORTATION

- **Proposed Revisions to Commercial Vehicle Driver's Hours-Of-Service:** The Federal Motor Carrier Safety Administration announced the first in this series of public hearings on May 5. The first hearing will be held in the DOT Headquarters Building on May 31 and June 1. Six public hearings will follow in CA, CO, MO, IN, CT, and GA. FMCSA hopes to hear from the public about how the proposed regulations would improve

highway safety, affect the personal, professional, and family life of commercial vehicle drivers, and the impact of the proposed regulation on the various segments of the motor carrier industry.

- **Dedication of Crash Injury Research and Engineering Network:** On May 24, DOT, in conjunction with Ford Motor Company, will announce at Inova Fairfax Hospital the 9th CIREN center. Ford will provide up to \$2.5M over the next five years to study the safety performance of technology such as side air bags and other advanced restraint systems. A computer network links the centers, enabling researchers to review data and share expertise leading to a better understanding of crash injury mechanisms and the design of safer vehicles.

DEPARTMENT OF ENERGY

- **Los Alamos Fire:** On May 17, Secretary Richardson addressed an all-hands meeting of DOE's Los Alamos Area Office. It was the first time the 65 member staff had gathered since the fire. Secretary Richardson thanked the employees who continue to staff a 24-hour Emergency Operations Center until the fires in Northern NM have been contained. He assured the group that DOE will carry out your directive on flexible leave policies and informed employees of a fund DOE has established to provide assistance to DOE employees as well as the 8,000 DOE contractors employed by the Los Alamos National Laboratory. The Los Alamos Area Office building suffered smoke damage. Environmental engineers are currently assessing the condition of the building and conducting clean-up so employees may return to their offices. Temporary office space has been set up in Albuquerque and in buildings that were not damaged at the Los Alamos National Laboratory.
- **Partnership for a New Generation of Vehicles:** GAO completed a report on the results of the partnership between federal government and industry on the development of new vehicle technologies. The partnership has focused much of its effort on developing technologies for vehicles that can achieve up to 80 miles per gallon, and, as of March, all three of the industry partners had released concept cars that demonstrate the ability to achieve this goal. GAO made two main observations. First, while the partnership is making progress towards developing a production prototype by 2004, industry representatives believe that such a vehicle is unlikely to be manufactured for the general public at a cost competitive with conventional vehicles in the near future. Second, the federal funding attributed to the partnership may overstate federal support of its goals because 45 percent of the reported funding for the activities for the partnership is either not directly relevant to its goals or is not coordinated through the partnership.

- **Zion National Park Visitor Center and Transportation System:** On May 26, Zion National Park, UT, will dedicate a new visitor center complex and shuttle bus system. The visitor center, a showcase of energy efficiency measures, is expected to use 70 percent less energy than a conventional building. The shuttle bus system will reduce pollution and congestion. Representatives from DOE, DOI, and DOT, which participated in this joint project, part of the Green Energy Parks program, will attend.
- **Krakow Celebrates Cleaner Air:** The city of Krakow, Poland celebrated "Earthweek" this month, to commemorate the completion of a nine-year, \$20M, joint US-Polish program that applied state-of-the-art energy technology to clean up air missions from thousand of boilers and home furnaces throughout the city. This U.S.-led effort has helped bring about a major environmental restoration in Krakow, returning clear skies to a city that once was the site of some of the world's worst urban air pollution. Airborne soot particles have been cut in half while emissions of sulfur dioxide pollutants have been lowered by more than 60 percent since 1989.

DEPARTMENT OF EDUCATION

- **Court Decisions:** On May 11, the U.S. Court of Appeals for the Second Circuit, in a two-one decision, overturned a lower court decision finding the voluntary use of race in admission to an urban-suburban transfer program in the Rochester, NY, metropolitan area unconstitutional. DOEd is discussing further involvement in this case with DOJ.
- **TX Higher Education Desegregation:** On May 16, TX Governor Bush signed a final commitment that provides the specific actions the State will take to enhance its historically black colleges and improve minority participation at public universities.
- **International Education:** Secretary Riley will travel to Europe on May 26 -June 5. In Milan, Italy, the Secretary will deliver a speech on international education, a follow-up to his speech at the French Embassy in Washington. In Dublin, Ireland, the Secretary will meet with the Minister for Education and sign a Memorandum of Understanding, which agrees to strengthen the relationships between the two countries through education, and to improve the education systems of each country. The Secretary will also receive an honorary degree from University College in Dublin and will deliver the commencement address.
- **High School Reform Conference:** On June 14-16, DOEd will sponsor Reinventing High School: Taking Action Conference, a national discussion about the American high school. The conference will convene educators, federal and state policymakers, parents, students, and community and business leaders for a discussion of practices and policies that support successful high schools.

DEPARTMENT OF VETERANS AFFAIRS

- **Diabetes Symposium:** On May 17, VA sponsored the second in a series of annual meetings which gathers top clinicians and researchers in the field of diabetes to facilitate an exchange of information about advancements in the treatment and understanding of the disease.

ENVIRONMENTAL PROTECTION AGENCY

- **Brownfields Grants:** On May 18 EPA announced \$35,890,770 in Brownfields grants to 102 cities, counties, tribes, states, and non-profit and education institutions. The announcement included funds for Brownfields Assessment Pilot Grants, Brownfields Cleanup Revolving Loan Fund Pilots, and Brownfields Job Training Grants. This announcement also included grants selections for AR and HI, ensuring the active participation of all 50 states in the Administration's successful Brownfields program. AR will be receiving the state's first Brownfields grant in Camden and Pulaski County. The Pulaski County \$200,000 grant will focus on the Little Rock and North Little Rock downtown and riverfront areas currently undergoing redevelopment. An additional grant of \$50,000 will assist in plans for an integrated park system that will connect both city centers to the new Presidential Library. The Camden \$200,000 grant targets an area within the heart of the City that nestles along the Ouachita River. An additional \$50,000 grant will be used to fund environmental assessment activities for the property to be developed for the Ouachita Riverwalk.
- **3M Company to Voluntarily Phase Out Perfluorooctanyl Sulfonate (PFOS):** On May 16, after review of scientific information by EPA, the 3M company announced that it will voluntarily phase out and find substitutes for PFOS chemistry. PFOS chemicals have a variety of industrial applications and are used in a variety of products including fire fighting foams, coatings for fabrics, leather, and some paper products. This action was taken after recent scientific information indicated that these chemicals are very persistent in the environment, have a strong tendency to accumulate in human and animal tissue, and could potentially pose a risk to human health and the environment over the long term. EPA will continue to work with 3M to facilitate the phase out, and will be contacting other governments and other potential manufacturers around the world to seek their support of the phase out of PFOS.
- **Draft Title VI Guidance:** EPA is in the final stages of completing draft Title VI guidance. Title VI of the Civil Rights Act of 1964, prohibits recipients of Federal financial assistance, such as state environmental departments, from discriminating on the basis of race, color, or national origin in their programs or activities.

- **Los Alamos Fire:** As the fire has spread in Los Alamos, NM, preliminary data indicates that radioactive materials at the site remain safe. To date, state air monitors have not indicated any release of radioactive material to the environment. To provide more thorough data, NM and FEMA have asked EPA to set up air samplers in and around the Los Alamos fire to monitor for potential releases of radioactive material. EPA intends to take water samples at locations within the facility, and may also conduct some soil sampling.

UNITED NATIONS

- **Sierra Leone:** At the request of the Africa Group, the Security Council met in emergency open session the evening of May 11 for a briefing by UN Department of Peacekeeping Operations Under Secretary-General Bernard Miyet on his May 8-11 trip to Sierra Leone. Currently, 386 UN and other international personnel are still being detained by Revolutionary United Front rebels. Secretary-General Annan is expected shortly to recommend enlarging the mission. The British are proposing an increase in the UN Mission in Sierra Leone force size from 11,100 to 13,000, including 250 military observers.
- **Eritrea/Ethiopia:** The Security Council is working on a Security Council Resolution imposing an arms embargo on both states in view of their recent return to conflict.
- **Management and Reform:** This week the resumed session of the Fifth Committee broached the subject of administrative and budgetary aspects of the financing of the United Nations peacekeeping operations. While Member States will continue to make statements through Wednesday morning, the mood thus far has been one of willingness and necessity to open up a discussion of the peacekeeping scale of assessments during the current Fifth Committee session. In light of their financial advances since the scale was devised in 1973, Cyprus, Estonia, the Philippines, Israel, and Hungary each expressed their willingness to give up the 80 percent discount currently afforded to them on peacekeeping assessments. There has been considerable support from the membership for an urgent, thorough and transparent review of the peacekeeping scale of assessments. While the G77 members have repeatedly maintained that any revised scale must not adversely affect less developed Member States, they are open to a discussion. The underlying theme, stated by nearly every speaker thus far, has been the need to adhere to the principle of capacity to pay, to ensure that the P5's assessment is commensurate with its decision-making responsibility, and to guarantee that economically disadvantaged Member States are not unfairly burdened by their assessments.

UNITED STATES TRADE REPRESENTATIVE

- **Meeting with Spanish Vice President Rato:** On May 23, Ambassador Barshefsky will meet with Spain's Vice President and Finance Minister, Rodrigo Rato, to discuss issues relating to the WTO, as well as transatlantic and bilateral trade matters.

OFFICE OF NATIONAL DRUG CONTROL POLICY

- **Visit to the UN:** On May 26, Director McCaffrey will travel to New York City to meet with Ambassador Holbrooke, UN Secretary General Kofi Annan, and the UN Drug Control Policy Executive Director Pino Arlacchi. Objectives for the visit include reviewing U.S. drug policy, underscoring U.S. support for multinational cooperation, reviewing plans for the Director's upcoming trip to China and Southeast Asia, and encouraging support for specific regional initiatives.

OFFICE OF PERSONNEL MANAGEMENT

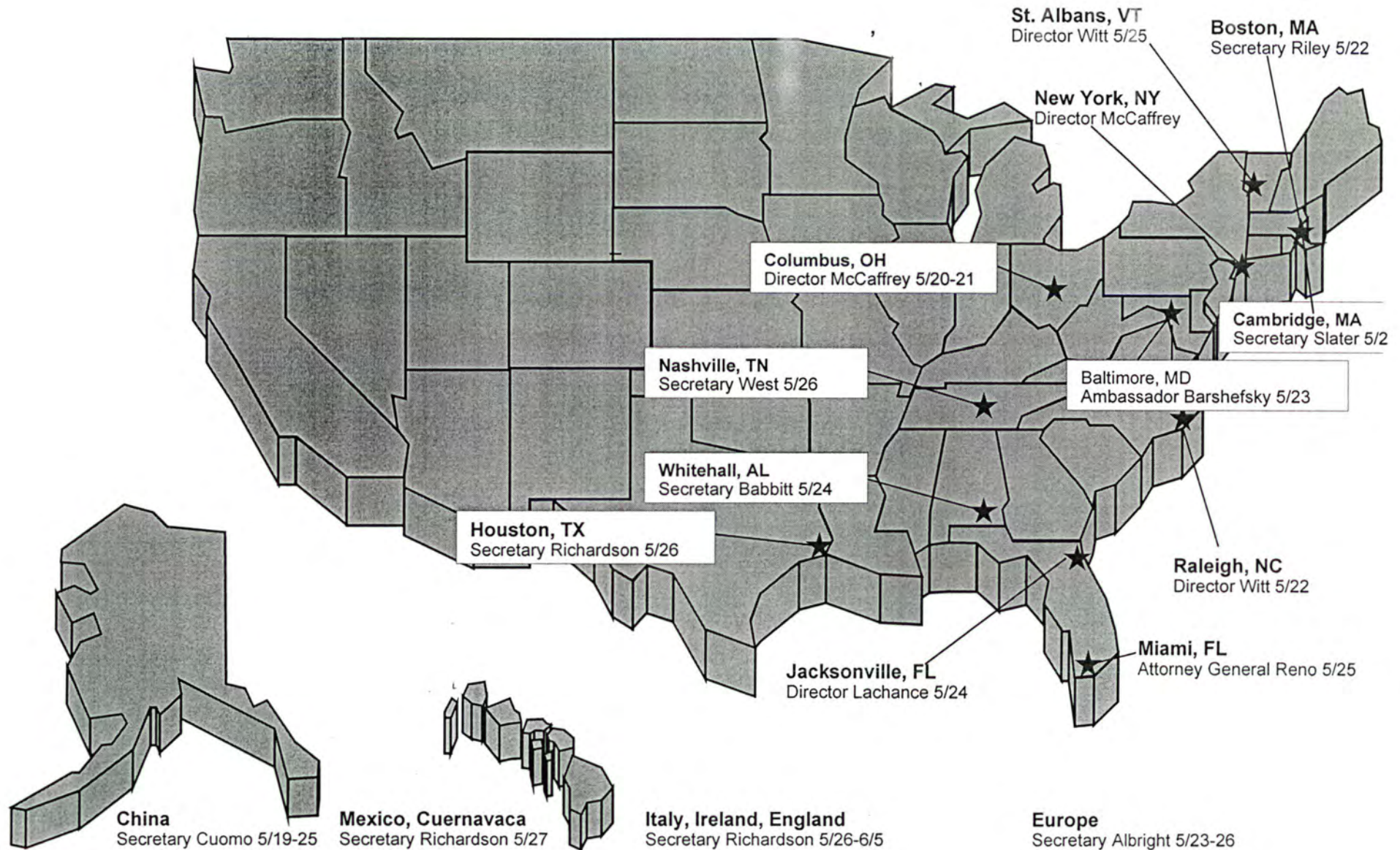
- **National Day of Remembrance:** As part of OPM's observance, OPM placed a Memorial Day Celebration section on its web site. It contains scrolling inspirational quotations and slides from military leaders, past and present.
- **NM Fire:** On May 17, Director Lachance issued a memorandum to heads of executive departments and agencies transmitting your request that Federal employees adversely affected by the fires in the Los Alamos, New Mexico, area be granted time off if they are faced with personal emergencies or are needed to assist with emergency relief and clean-up efforts. The memo also gives instructions to agencies about establishing emergency leave transfer programs. OPM is helping DOD and DOE to establish "special solicitations" apart from the Combined Federal Campaign to aid fire victims.

SOCIAL SECURITY ADMINISTRATION

- **Annual Report on the SSI Program:** The report on the SSI Program provides estimates of program participation and costs over a 25-year period. Some of the major findings of the fourth annual report are: By 2024, the Federal SSI recipient population is estimated to reach 7.7 million (from 6.3 million in 1999), growth in SSI program outlays during the next 25 years is projected to remain relatively modest, and Federal expenditures for SSI payments in calendar year 2000 are estimated to total \$29.4B, an increase of roughly \$1.2B from 1999 levels.

Cabinet Affairs Travel

Monday, May 22 - Sunday, May 28, 2000



cc:

The Vice President

John Podesta

Martin Baily

Sandy Berger

Sidney Blumenthal

Chuck Brain

Charles Burson

Mary Beth Cahill

Maria Echaveste

George Frampton

Mickey Ibarra

Ben Johnson

Joel Johnson

Janis Kearney

Neal Lane

Jack Lew

Ann Lewis

Joe Lockhart

Buddy MacKay

Sean Maloney

Minyon Moore

Bruce Reed

Steve Ricchetti

Gene Sperling

Lauren Supina

Loretta Ucelli

Melanne Verveer

5-22-00

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THE WHITE HOUSE
WASHINGTON

MEMORANDUM

May 19, 2000

Copied
Ucelli
Cutter
Podesta

TO: THE PRESIDENT

FROM: LORETTA UCELLI
STEPHANIE CUTTER

RE: Communications Weekly Report

OVERVIEW:

This week, we pushed out a strong message that you are continuing to take action on the issues important to the American people. In continuing to build momentum for the impending China PNTR vote, you again conveyed the importance of granting permanent normal trade relations to China in a joint statement with Federal Reserve Chairman Alan Greenspan. You also demonstrated your leadership in promoting the economic and national security benefits of expanding trade with the countries of sub-Saharan Africa and the Caribbean Basin at the bill signing for the Trade and Development Act of 2000. Through other message events this week, you demonstrated your leadership in reducing crime and protecting our nation's police officers with bullet proof vests, shielding America from new threats to national security, and ensuring that Congress passes a budget that invests in our children's future by strengthening our schools and educational programs across the nation.

Next week, we will continue to work to mobilize Congress and the American people to support passing legislation for China PNTR. Following this important vote, we will then refocus our efforts on accomplishing domestic priorities, such as common sense gun safety legislation and a new prescription drug benefit.

China/ PNTR:

Next week, we will focus our efforts on communicating to the American people the benefits of China PNTR in a final push before Wednesday's vote. On Sunday, you will give an address to the nation conveying to the American people the extreme importance of granting China permanent normal trade relations. In this address, you will speak to the American people on how expanding trade with China by granting PNTR will benefit the lives of the American people by creating jobs and opening markets for American-made goods, strengthening national security and exporting American values. Throughout the week, we are keeping message opportunities open to play into developments on the Hill.

Thursday, May 25

5-22-00

We are working with the Chief of Staff's Office, the Press Office and others to develop a message event for Thursday that allows you to both react to the China PNTR vote and then refocus the nation on our domestic priorities. You will demonstrate your leadership on issues important to the American people, and you will use this opportunity to urge Congress to pass legislation for a prescription drug benefit and common sense gun safety legislation, among other important legislative priorities.

Friday, May 26 – Oceans

We are working with CEQ, the Press Office and others to plan a message event along the shores of the Chesapeake Bay, where you will highlight the progress we've made in protecting our ocean waters and the challenges that remain. To demonstrate your leadership in protecting our nation's natural resources and the public health of communities, you will announce two executive actions that build on our progress in protecting the health of our oceans, beaches and coastlines. First, you will direct agencies to develop a plan to permanently protect coral reefs off the Northwest Hawaiian Islands. Second, you will direct agencies to create a network of "marine protected areas" – the equivalent of national monuments or parks in the ocean – and establish "no-pollution zones" to protect both ocean waters and the health and safety of millions of families who enjoy our nation's beaches each year. You will also highlight the Republican budget cuts to the environmental budget, and urge Congress to continue building on the progress we've made in protecting public health and the environment by fully funding the nation's environmental priorities.

Friday, May 26 – Radio Address on Nutrition Guidelines:

As millions of families around the country come together to celebrate the Memorial Day Holiday at backyard barbecues and other gatherings, you will announce in your weekly radio address the release of the Dietary Guidelines for Americans, 2000, which form the cornerstone of national nutrition policy. In addition to providing Americans with the best nutrition guidance, this, for the first time, will include separate guidelines on physical activity and food safety. This announcement will demonstrate your leadership in keeping Americans healthy.

ADDITIONAL INFORMATION:

Upcoming Foreign Travel:

In preparation for your foreign trip to Portugal, Germany, Russia and Ukraine, we are working with the NSC and the Press Office to develop a communications strategy to effectively convey your leadership abroad and at home in promoting peace and prosperity. We also are working with the Press Office and Cabinet Affairs on a communications strategy to guarantee a steady drumbeat of news and ensure that your Administration plays into domestic issues during your time abroad.

Domestic Issues/ Budget:

We are working with the Chief of Staff's Office, the Press Office and others on a communications strategy to refocus the nation on your domestic agenda upon your return from foreign travel. We are putting together events and other message vehicles that will demonstrate your determination to move the nation forward and push Congress to take action for the American people by passing a prescription drug benefit, common sense gun safety legislation, a raise in the minimum wage, a Patients Bill of Rights and a strong budget that continues our economic prosperity and invests in our nation's priorities.

THE WHITE HOUSE
WASHINGTON

5-22-00

MAY 19, 2000

Copied
Johnson
Podesta

MEMORANDUM FOR THE PRESIDENT AND VICE PRESIDENT

FROM: BEN JOHNSON

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

COCA COLA DIVERSITY INITIATIVE: Coca-Cola has pledged 1 billion dollars over the next five years to increase business opportunities for minorities and women. The initiative will include a new supplier mentoring program, economic partnerships with small businesses, and increased support of nonprofit organizations, minority scholarships, mentoring programs, community outreach and advocacy programs.

MCI WORLDCOM PLEDGE: As a result of your corporate call to action, MCI Worldcom has elected to donate its entire 10 year/10 million dollar pledge on workforce diversity to the National Action Council for Minorities in Engineering (NACME). NACME is a not-for-profit organization that is dedicated to increasing the number of successful African-American, Hispanic and American Indian engineers. MCI's donation is the largest private gift that NACME has ever received.

ARKANSAS BAPTIST COLLEGE: I gave the commencement address at the graduation exercises at Arkansas Baptist College. The topic was One America in the 21st century.

CONSTITUENT OUTREACH**MINORITY REAL ESTATE BROKERS**

We hosted a meeting of minority real estate brokers to explore ways to involve them in the federal government's building construction projects. They voiced concern that they are being shut out of the market because of untimely notification of contracting opportunities. During fiscal year 1999, GSA's Public Buildings Service awarded 4,470 leasing actions. Only 195 of those leases were awarded to minority businesses. We asked GSA to convene a task force with other federal agencies to streamline the notification process government wide. This is expected to be accomplished in approximately 30 days. In the meantime, GSA has embarked on a national outreach effort to increase minority participation in its Real Estate Lease Program.

MINORITY BAR ASSOCIATIONS

We met with representatives of minority bar associations to bring them up to date on our One America activities. They were primarily interested in judgeships, and were exploring ways to highlight Republican inaction on minority judicial appointments. They agreed to mobilize their memberships in an effort to impact the fall elections.

CHICAGO SUPPORTS REPARATIONS

Mayor Richard Daley came out in favor of reparations for descendants of African slaves and asserted America should apologize for what it did. "You apologize for a wrong...." Daley declared. "Slavery was wrong." The mayor's comments came as the City Council voted overwhelmingly to urge Congress to consider reparations.

CABINET RACE INITIATIVE WEEKLY

DEPARTMENT OF COMMERCE

San Francisco Regional Minority Business Conference: DOC's Minority Business Development Agency (MBDA) San Francisco Regional Office is planning a regional minority business conference to be held June 21-22. Conference sessions will focus on: access to capital and markets, DOC's Global Diversity Initiative, the Digital Divide, tapping resources through MBDA, electronic tools and resources, E-Commerce, emerging markets, and other key topics.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Disparities: In a notice published in the May 15 *Federal Register*, the Health Resources and Services Administration (HRSA) will announce its intention to award a cooperative agreement with the National Association of County and City Health Officials. It will increase access and eliminate disparities in health care for the underserved/uninsured by strengthening local public health systems and supporting programs that assist local communities.

Swearing in of President's Advisory Commission on Asian Americans and Pacific Islanders: On May 18, the President's Advisory Commission on Asian Americans and Pacific Islanders will be sworn in by the Secretary, and convene their first meeting on May 17-18 at HHS.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Analysis of Subprime Lending in New York Released at Forum: The U.S. Department of Housing and Urban Development, the Department of the Treasury and U.S. Senator Charles Schumer of New York held the third of five joint regional forums to address predatory lending. At the forum, HUD released a study - Unequal Burden in New York: Income and Racial Disparities in Subprime Lending - that analyzed 1998

data reported under the Home Mortgage Disclosure Act (HMDA) and documented the growth of the subprime market nationally. Subprime mortgage originations totaled some \$35 billion in 1994, less than 5 percent of all originations that year. By 1999, there were some \$160 billion in subprime mortgages, more than doubling the subprime share of the mortgage market to 13 percent.

UNITED STATES DEPARTMENT OF INTERIOR

Entire Kenai Peninsula Declared Rural: The Federal Subsistence Board of AK declared the entire Kenai Peninsula eligible for a rural subsistence priority. The action was in response to a petition by the Kenaitze Indians, a tribe of 939, but will also apply to all 60,000 residents, both Native and non-Native. Residents of rural areas may harvest fish and wildlife under Federal subsistence regulations if a recognized consistent and traditional subsistence use of that species exists. Reaction to this determination from commercial and sport fishers, hunting guides, and the AK Legislature is strongly negative and expected to build.

DEPARTMENT OF EDUCATION

Texas Higher Education Desegregation: On May 16, Texas Governor George Bush signed a final commitment that provides the specific actions the State will take to enhance the state's historically black colleges and improve minority participation at public universities.

DEPARTMENT OF ENERGY

MOU Signing with United Negro College Fund (UNFC): On May 24, Secretary Richardson will sign a nonbinding agreement with the UNFC to allow students, attending any of the 39 UNFC member institutions, to apply for internships at DOE facilities. The program focuses on environmental science, computer science, and biotechnology – areas that are strengths of the participating national laboratories and facilities and focal points for teaching and research emphasis at UNFC colleges and universities. Participating students will have access to advanced research opportunities and the national laboratories and facilities will be strengthened through collaborative research and a stronger workforce. There will be five internships this summer semester, and possibly as many as ten per semester in the future.

Rebuild America-Weatherization Initiative: On May 25, the Havasupi Indians, the Inter Tribal Council of Arizona, and DOE's Rebuild America and Weatherization Assistance programs, are planning to announce a joint initiative to provide weatherization training to Havasupai housing staff, weatherize homes, and demonstrate potential partnerships for the Weatherization and Rebuild programs on reservations. The announcement will take place at the Grand Canyon in Arizona. DOE has committed \$20,000 for weatherization and energy efficiency retrofit activities for the Tribe.

GENERAL SERVICES ADMINISTRATION

Rural Texas Scholl Receives Donated Computers - GSA Region 7 recently donated 15 computers to the Pearsall High School located in Pearsall, TX. Congressman Rodriquez had requested the donation of computers to this low income school. The computers are to be used in the program for students

UNITED STATES DEPARTMENT OF JUSTICE

Indianapolis Klan Officer Convicted of Cross Burning. On May 10, a security officer with the Ku Klux Klan in Indianapolis, IN, was convicted on federal charges relating to the October 7, 1996, cross burning in the front yard of a home of several Hispanic residents of Kokomo, IN. On several occasions prior to this incident, the defendants attended meetings of the local unit of the American Knights of the KKK where they discussed their intention to burn crosses in Kokomo in order to drive blacks and other minorities out of the area. Previously in separate cases, two defendants pled guilty to federal civil rights charges in connection with an October 1, 1996, cross burning in the front yard of the home of a black family.

Department Informs Los Angeles that a Police "Pattern or Practice" Lawsuit Has Been Authorized. On May 8, 2000, Acting Assistant Attorney General Bill Lann Lee met with Los Angeles city officials to advise them that a lawsuit has been approved alleging that the Los Angeles, CA, Police Department is engaging in a pattern or practice of constitutional violations. Mr. Lee also indicated that the Justice Department, would be willing to delay filing suit if the city is willing to enter into pre-suit settlement negotiations. We also gave the officials a notice letter that provides more detailed information about the basis for the decision to approve a lawsuit. City officials indicated that they are interested in discussing settlement and an initial meeting has been tentatively scheduled for the week of May 15. We also met with the Mayor of Los Angeles to discuss settlement issues on May 10.

OFFICE OF PERSONNEL MANAGEMENT

OPM Saluted at National Hispanic Summit: Today, Director Lachance received a Public Service Award from the National Association of Hispanic Federal Executives (NAHFE) in appreciation for her leadership and outstanding efforts to improve the representation of Hispanics in the Federal government. Participants at the summit reviewed the progress in eliminating the underrepresentation of Hispanics in the federal workforce and identified specific strategies to help increase the representation of Hispanic executives in the federal sector.

Small Business Administration

New Markets: SBA's Cleveland (Region IV) office announced a partnership agreement between the SBA and the Hispanic Business Association (HBA) at the HBA's Annual Dinner Meeting on May 5th. SBA and the HBA parties

have entered into an Intermediary Participation Agreement where the Hispanic Business Association will participate in the Pilot SBA Pre-Qualification Loan Program. At this time, the Cleveland District Office has reached 80% of its Hispanic loan goal. Over 450 members of the business community were in attendance.

SOCIAL SECURITY ADMINISTRATION

SSA's Annual Memorial Day Observance: On May 25, SSA will conduct its annual Memorial Day Observance at its Headquarters in Baltimore, MD. SSA's Inspector General, Jim Huse, Jr., a Vietnam veteran, will serve as master of ceremonies. Commissioner Ken Apfel will provide remarks and the Buffalo Soldiers—a group of African-American veterans—will be the honored guest speakers. In addition, on May 29, SSA is encouraging all employees to pause for one minute, at 3:00 p.m., for a "National Moment of Remembrance."

SSA Atlanta Regional Office Participation in Georgia Black Chamber of Commerce "Celebration for Education" Scholarship Banquet: On May 20, SSA's Atlanta Regional Commissioner, Myrtle Habersham, will join over 500 business and professional leaders at the Georgia Black Chamber of Commerce "Celebration for Education" Scholarship Award Banquet. At the banquet, the Chamber will award college scholarships to ten low-income high school graduates who have demonstrated leadership, involvement in community service and interest in being entrepreneurs. The regional office sponsorship includes a "value-added" package to the scholarships that include a mentoring experience for students by SSA managers, a college care package for each student and a certificate of accomplishment from the SSA that Ms. Habersham will present to each student at the banquet.

DEPARTMENT OF VETERANS AFFAIRS

VA Diabetes Symposium: On May 17, the Department of Veterans Affairs will sponsor the second in a series of annual meetings which gathers the top clinicians and researchers in the field of diabetes to facilitate an exchange of information about advancements in the treatment and understanding of the disease. The VA has taken an active role in sponsoring research to determine the cause, progression and treatment of the disease.

5-22-00

JP
any chance
getting this?

ROTHGERBER JOHNSON & LYONS LLP

One Tabor Center, Suite 3000
1200 Seventeenth Street
Denver, Colorado 80202
303 623-9000—FAX 303 623-9222

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Podesta
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FAX TRANSMITTAL SHEET

To: Nancy Hernreich

Fax No. 202 456.6703

From: James M. Lyons 

User No. 208

Re: *Denver Post* article of 5/12/00

Client No. 99999.999

Date: May 12, 2000

In case Bruce didn't pass this along, I would appreciate your seeing that it gets to Him.

WE ARE TRANSMITTING 3 PAGES (INCLUDING THIS COVER PAGE). IF
TRANSMISSION IS NOT COMPLETE, PLEASE CALL (303) 623-9000, EXT. 321.

The information contained in this facsimile message and/or the document transmitted is attorney-client privileged work product or otherwise confidential and intended only for the use of the individual or entity named above. If the reader of this message is not the intended recipient or the employee or agent responsible to deliver it to the intended recipient, you are hereby notified that any examination, use, dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please immediately notify us by telephone and return the original to us at the above address via the U.S. Postal Service. Thank you.

Please see **BALLOT** on 5B

Allard rejects Clinton offer of judge swap

Senator refuses to back jurist he opposed for district court

By Bill McAllister

Denver Post Washington Bureau Chief

WASHINGTON — The Clinton administration offered Thursday to nominate Colorado Deputy Attorney General Christine Arguello to a federal judgeship in Denver if the state's junior U.S. senator allows a woman he has blocked from the same job to serve instead on the federal appeals court headquartered in the city.

Sen. Wayne Allard, R-Colo., said he told the White House he couldn't accept the deal but expressed delight that the administration was ready to seriously consider Arguello, one of the candidates he had suggested.

He said, however, that he gave the White House "a pretty solid no" to placing federal Magistrate Patricia A. Coan, whom he had rejected for the district court bench, on the higher appeals court. "I can't do that," Allard said, citing his objections to her as a district judge.

A White House spokesman would not comment on the negotiations. Coan and Arguello couldn't be reached.

If the GOP senator and the Democratic president can resolve a two-year impasse over vacancies on the federal bench in Denver, Clinton could fill both

**Arguello**Please see **JUDGES** on 9B

Friday, May 12, 2000

THE DENVER POST

9B

Allard rejects president's offer to swap Denver judge nominees

JUDGES from Page 1B

positions before he leaves office. Allard can continue to delay, in hopes that Texas Gov. George W. Bush, the GOP's certain presidential nominee, will win the White House and pick judges he can support.

Under the White House deal, Allard would get Arguello, one of five lawyers he recommended to the president for the district court bench, but the senator would have to allow Coan a seat on the 10th U.S. Circuit Court of Appeals.

Using his power as a home-state senator, Allard has effectively killed Coan's bid to serve as a federal district judge and the president's effort to place Denver lawyer Jim Lyons on the appeals court.

Rep. Diana DeGette, D-Colo., the



Allard

strongest congressional backer of Coan's judgeship, disclosed the plan. "It's a good deal," DeGette said, adding that it would resolve years of uncertainty about the federal bench in Denver.

Lyons, a longtime Clinton friend, would be the immediate loser. He had, however, given up the effort to win the appeals court job last year after Allard blocked his nomination.

Allard had declared Lyons to be "perceived as being somebody who is a political operative" and questioned his role in defending Clinton during an investigation of the pres-

ident's Whitewater land deals in Arkansas.

Coan was nominated in May 1999 after she was among those suggested by a judicial screening panel that DeGette and several other Democrats established. Republicans refused to join the panel.

Allard has said he was not neces-

sarily opposed to Coan because Democrats picked her. "It's the person. . . . We can do better," the senator said in October after he blocked her nomination in the Senate Judiciary Committee.

Colorado Attorney General Ken Salazar, the state's highest-ranking Democrat, urged Clinton to appoint

Arguello, one of his top deputies, after it was clear the Coan nomination was stalled. She also had the support of Hispanic community leaders and Denver Mayor Wellington Webb.

The vacant judgeship was held by District Judge Zita L. Weinshienk, who moved to senior judge

status. Chief District Judge Richard P. Matsch has announced that he, too, intends to seek senior status, creating yet another vacancy on the district bench.

DeGette said new judges are urgently needed to speed the flow of cases.

5-22-00

Ricchetti
Summer: Bill
Br



Jock Gill <jgill@greenstar.org>
05/12/2000 09:04:08 AM

Record Type: Record

To: Nancy V. Hernreich/WHO/EOP, Betty W. Currie/WHO/EOP

cc:

Subject: Swords vs Bits

May 12, 2000

VIA EMAIL

Dear Mr. President,

Just a note to say I am concerned about the campaign: too negative and lacking in creative imagination. Not a winning combination I fear.

Without being an attack dog, who likes 'em, can it be pointed out that a person's record of actions taken defines the qualities of their "responsibility". Both 'W' and AI are "Responsible" men. But what is the character, the 'brand', the quality of their responsibility? Just claiming to be responsible is not good enough. 'W' should not be allowed to get away with it. Question: What does responsible mean? Actions as proof of the 'responsible pudding'.

Also, Tom Friedman's "The Parallel Universe" essay in today's NYT hit the nail on the head. But Tom fails to mention that we live in a very fragile bubble of extreme wealth relative to the vast majority of the rest of the world. A leader would help us acknowledge that we live in a bubble which is very vulnerable. A leader would challenge us to reduce the risk by reducing the disparity. We are our brother's keepers -- in spite of everything the 'free market' would prefer us to believe. We are not independent free agents with perfect knowledge who always act rationally in our own best interest with optimized outcomes.

Just by way of example: What good is our billions of dollars of vaunted military might against the 'Love Bug' child's play? What happens when a really professional worm appears? The military will never be the answer. So we too stand naked in this brave new world. The Emperor has no clothes. But can AI bring himself to say it? I very much doubt that 'W' even understands what the Love Bug has just taught us. Perhaps it is his Achilles heel? Can AI tell us the obvious: Our Military is designed to fight a war from 20 or more cold years ago. Our military is almost meaningless in the connected online world. Can they beat their swords into bits? Swords against bits is a very funny proposition.

Globalism of the few, for the few and by the few is just never going to be a pretty picture. This is especially true once we understand that we stand

copied
Ricchetti
Podesta

naked in our fragile bubble of wealth.

So what is Al's vision? What is he asking me to vote for? Not the attack dog. Not the resume padder - sad to say. Not the Elain panderer. Not the rear view of the past. I just don't get, through all of the noise, why I should vote for Al as an affirmation of something. I get it that I vote for Al out of FEAR, take the Supreme Court for example, but I resent voting out of FEAR! I want my vote to be an affirmation.

But with Al, what vision of the future, of the role of the Presidency, of the possible, am I being asked to vote for? If nothing else, we have a communssibions problem here. I am very tired of warmed over Clinton/Gore 92/96. Where is the original vision which is Al's alone?

By the wam
Aur dog sleeps in our bed too. Sort of crowded if the cat also joins us.

Best regards,

Jock

PS: Amanda got an A on her senior history thesis. We are very proud parents. She is currently applying for an entry level job with the DoJ in NYC. So she too will be a New Yorker in a few short weeks. To be a lawyer and go to law school or to be a teacher and got to graduate school in history, that is the question.

Jock Gill, Executive Director

Voice: (781) 396-0492

eFAX: (425) 795-5918

www.greenstar.org

THE WHITE HOUSE

5/18

Nancy -

I thought the President
may be interested in the
FIRST TWO Beauregard's
grants to Arkansas.

Les B

copied
Balderson
Podesta

Good - ~~but~~^{er}
much down
there as you can
in the time left

Bz

5-22-00

copied
Balderston
Podesta

May 18, 2000

TO: Kris Balderston
FROM: Reid Wilson
SUBJECT: EPA's \$35 Million Brownfields Redevelopment Grants Announcement

To build on the goals of the New Markets Initiative and continue the Administration's strong record of achievement on Brownfields, today the Vice President announced \$35,890,770 in Brownfields grants to 102 cities, counties, tribes, states, and non-profit and education institutions. The announcement includes funds for Brownfields Assessment Pilot Grants, Brownfields Cleanup Revolving Loan Fund Pilots, and Brownfields Job Training Grants. This announcement also includes grants selections for Arkansas and Hawaii, ensuring the active participation of all 50 states in the Administration's successful Brownfields program.

Originally initiated as a modest pilot program involving three cities, the Brownfields program has now been extended to almost 400 communities across America. The partnership across 26 federal agencies has awarded more than \$157 million in seed grants and leveraged over \$1.6 billion in private investment for cleanup and redevelopment. The program's work has led to the creation of thousands of jobs in areas that had previously been bypassed for economic redevelopment.

Arkansas will be receiving the state's first Brownfields grants in Camden and Pulaski County. The Pulaski County \$200,000 grant will focus on the Little Rock and North Little Rock downtown and riverfront areas currently undergoing redevelopment. The County plans to use the funding to survey the target area to provide private developers and public agencies with a complete data set on development sites, including specific information on Brownfields. An additional grant of \$50,000 will assist in plans for an integrated park/recreational system that will connect both city centers to the new Presidential Library.

The Camden \$200,000 grant targets an area within the heart of the City that nestles along the Ouachita River. The proposed project site encompasses the Union Pacific Railroad, as well as abandoned service industries, all of which contain possible hazardous material and wastes. An additional \$50,000 grant will be used to fund environmental assessment activities for the property to be developed for the Ouachita Riverwalk.

BARBARA
2 NANCY OUTBOX LTNS
TO BURKHARDT FOR
REPLY



Stanley K. Sheinbaum

19 May, 2000

President Bill Clinton
The White House
Via Fax

5-22-00

Subject: Lowell Bergman Re Drugs

Dear Bill,

You may remember Lowell Bergman as the "60 Minutes" correspondent who recently was at war with Mike Wallace. Indeed, he was portrayed in the film "The Insider" by Al Pacino. (Good film.)

Could you have one of your appropriate colleagues take a look and get back to me about what steps might be taken?

See you with Mbeki Monday night.

Stanley K.

Stanley K. Sheinbaum
SKS/kc
enclosures
(dictated but not read)

TO BURKHARDT FOR
REPLY: COORDINATE W/
WALKHART, B. NEED, ~~GOALS~~
COUNSEL

BC SIG

NEED DOT

need quick turnaround
on Z Sheinbaum
letters; see attached;
one reply probably fine.

345 North Rockingham Avenue Los Angeles California 90049-2635
Telephone (310) 472-9541 FAX (310) 476-9853 e-mail: sks345@aol.com

*Send to Secretary
40000
to handle
or Counsel
Office of
Pres & COS
DO
Mayer
and*

*Steel/Blood/~~AT~~ Counsel
unavailable -
BC*

April 30, 2000

Mr. Stanley Sheinbaum
Los Angeles, California

Via Internet

Dear Stanley,

For over a year now, I have been plowing through the history of "The Thirty Year War" on drugs. Along the way we have been recording on video tape the experiences and reflections of the veteran drug warriors, the men and women who chose to join in the effort to stem the tide of narcotics into the country and on our streets. At the same time we have developed a profile of the international narcotics industry and the infra structure that has arisen to try and keep it under control.

Our goal is to try and provide the audience with an "objective" view of what has happened and the key questions we, as a nation, should focus on.

What is unusual is that almost universally the "drug warriors" come to the same conclusion: we are not going to arrest or interdict our way out of this situation. No one is more convincing on camera about this than former D.E.A. Administrator Jack Lawn ['85-90], and the head of the largest prison guards union in the world, Don Novey. Lawn decries the refusal of the enforcement apparatus to be willing to give up parts of their budget for what is so obvious: treatment and education. And Don Novey, standing in the yard at Folsom Prison, asserts that he knows that treatment, if it were available, would put a sizeable dent in the inmate population that is milling around him. Novey does not back away from the conclusion that effective treatment would lead to a smaller prison population and fewer jobs for his members. "It works!" Novey says, and then explains that it might take a conservative Republican ["like Nixon going to China"] to reform what is a national disaster.

Why is this happening? Why do we continue to lock up non-violent drug offenders and eschew treatment and education? How does a national policy still focused on interdiction, and intervention in places like Colombia fit into all this?

The answers are what we are looking for. Yes, we could and no doubt will turn to General McCaffrey.. But he is a general without troops that he can command or a budget he can control. I have suggested to my colleagues that we make room in our already crowded cast of characters and go to the top.

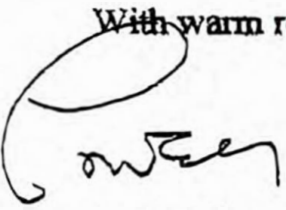
When Bill Clinton came into office that was exactly the focus [treatment and education] , and the questions ["what role is there for interdiction and enforcement?"] he was raising. What I would like is to give him a chance to address these issues in the documentary and in the national town meetings that are scheduled to follow it.

There is some urgency to this because a nod from the President would mean a shift in our logistical planning. We would also urge that the White House confer with the Department of Justice about their unwillingness so far to provide anyone from "Main Justice" on camera. While we enjoy the full cooperation of the F.B.I., the D.E.A., U.S. Customs, the Bureau of Prisons and the C.I.A. as well as U.S. Attorneys around the country, the Washington headquarters has declined to put anyone on camera.

As the previous fax explains this documentary will air at the beginning of the first week of October as a "Frontline/PBS" Special. It will be accompanied by an NPR radio series and televised national towns meetings including one in Washington, D.C.

Let me know what you think.

With warm regards,



Lowell Bergman
510 - 528 - 9553

P.S. - Congrats on becoming an octogenarian!!



Stanley K. Sheinbaum

18 May, 2000

President Bill Clinton
The White House
Via Fax

Subject: LAPD/Mayor Riordan and the Feds

Dear Bill,

I hope that there is no validity to the rumor kicking around here that the White House has been applying pressure on the Justice Department to releat on Mayor Riordan as published in this morning's Los Angeles Times (5/18/00). If my memory serves me correctly you met Riordan in the first place through me when I was President of the Police Commission here. While I am not making an argument that the DJ should beat up on him I suggest that you and your assignees in the White House—whoever that may be—read the enclosed recent piece on Riordan of only three days ago. Jim Newton, it's author, has long been a Riordan loyalist. Nevertheless...

I am also including a very recent letter of my own to the Mayor which is to the greater extent self-explanatory. Similar gist.

I have tried to lay low on the subject publicly inasmuch as I feel I can be more effective via my work with the Washington based Police Foundation. On the other hand, you used to call on me when you thought I might be of service.

For what it is worth and if you wish to see me I am arriving at the Four Seasons in Georgetown this Friday event, the 19th and will be in town through the morning of the 23rd. I would w... and/or if you so wish to discuss the LAPD probi

Sincerely,

Stanley K. Sheinbaum
SKS/kc
enclosures

TO BURICWART

FOR REPLY:

COORDINATE W/
COUNSEL'S OFFICE

cc: Counsel's office

BC SHG

RED DOT

may be able
to fold together
w/ sheinbaum/
Berman ltr.

5/18/00

said they arrested him.

But none of the witnesses could put Soldo, McCarty and Betts in the same place at the same time, as the witnesses on Boyd Street did.

There were other problems too.

The first motel owner, although placing Soldo and McCarty near South La Cienega, said the officers were at his Relax Inn roughly between 4:30 and 6 p.m. The officers' log for that night shows that they arrived at the motel at 6:15 p.m. and left two hours later. Regardless of which time frame is correct, the officers would have had more than enough time to get downtown and arrest Betts.

The other motel owner, Pratapbhai G. Patel, in an interview with The Times, denied the police investigator's claim that Patel could identify Soldo and McCarty. Patel said he told the investigator that he had witnessed some police activity outside his window sometime in summer 1998 but that he could not identify the officers involved or the suspect. In fact, his description of the suspect did not match Betts' appearance. And when police showed him a photo of Betts, he did not recognize Betts as the suspect.

Also, if the arrest occurred right outside Patel's window, as he insists, it does not match the address where Soldo and McCarty say Betts was taken into custody. McCarty's report states that Betts was arrested at 1777 S. La Cienega. Patel's motel is at 1755 S. La Cienega.

McCarty's report contains at least one error that the officers acknowledged about six months after Betts' arrest. The report says they were driving a marked black-and-white police cruiser on the night in question. In fact, they were in an unmarked brown undercover vehicle—

Please see ARREST, A28

City, U.S. Begin Talks on LAPD Reform

■ **Scandal:** Officials say session laid groundwork for more discussion. Hahn says he urged that system of civilian oversight stay intact.

By JIM NEWTON
and TINA DAUNT
TIMES STAFF WRITERS

Representatives of Los Angeles and the U.S. Justice Department held their initial negotiating session over the future of the Los Angeles Police Department on Wednesday, and participants described it as a relatively matter-of-fact meeting that laid the groundwork for a more serious negotiation in the next two weeks.

According to sources and participants, the federal representatives did not come to the meeting with a specific list of proposals addressing their contention that the LAPD has exhibited a pattern or practice of corruption and civil rights violations. The federal officials are expected to detail at least part of their blueprint for reform at the next meeting, however, which participants said will occur soon, probably by the end of the month.

City Atty. James Hahn, who has been tapped as the lead negotiator for the city, said after Wednesday's meeting that city officials urged the Justice Department to avoid proposals that might have the effect of undermining Los Angeles' existing system for civilian oversight of the LAPD.

"I said that I'm very much interested in continuing to strengthen

the Police Commission and the inspector general," Hahn said. "They made clear that they didn't want to do anything to undermine civilian oversight of LAPD. That's a goal we both share."

Despite the congenial tone of Wednesday's session, the talks quickly were tangled in a City Hall rumor that Justice Department officials were not serious about their threat to sue the city if the event that the talks do not produce a satisfactory agreement. One version of that rumor suggested that the Justice Department was yielding to pressure from the White House on behalf of Mayor Richard Riordan. Those reports were adamantly and publicly denied by both Justice Department officials and the mayor's spokesman.

Although both sides in the talks have said they would prefer to see a deal struck rather than end up in court, the Justice Department remains prepared to file a lawsuit if the negotiations falter, officials said.

The substantive reforms that the Justice Department may demand to avoid suing the city and its police force represent one potential area for disagreement, between local officials and the Justice Department and also among the local officials themselves. In general, Hahn and City Council members, who are represented at the table by Chief Legislative Analyst Ron Deaton, favor more far-reaching reforms, while Riordan and Police Chief Bernard C. Parks back more limited federal involvement.

Another possible area of contention is the form of the agreement, as Riordan and Parks, whose top aides are part of the city negotiating team,

would like to avoid a consent decree that places the matter under the supervision of a federal judge. Other city officials are less troubled by the prospect, and all signs so far indicate that the Justice Department is likely to insist on it.

Although those battles loom, neither the substance nor form of the proposed agreement was discussed in detail Wednesday, officials said. Perhaps as a result, participants described the session as productive and relatively free of rancor.

"I really believe that we're going to reach a mutual understanding about the need for reform and the reforms that are needed," Hahn said.

Meanwhile, in a sign of the negotiations' potentially long-term impact on the future of the LAPD, the city's police union wrote Wednesday demanding a seat at the table.

"The LAPPL has significant actual and legal interests in the terms of any negotiated settlement between DOJ and the city," wrote Police Protective League President Ted Hunt. "Accordingly, we hereby respectfully request that the LAPPL be provided with the opportunity to be involved in any discussions between the DOJ and the city . . . that in any way varies or impacts the terms of the collective bargaining agreement."

City Council President John Ferraro, who named the negotiating team, said he would not add the league to the talks—at least for now.

"The people I appointed to the negotiating group are officials of the city of Los Angeles," Ferraro said. "The appropriate employee unions will no doubt become involved at the proper time."



Stanley K. Sheinbaum

FAXED

5 May, 2000

Mayor Richard Riordan
200 N. Spring Street
City Hall Room 305E
Los Angeles, CA 90012
Via Fax #213-680-3435

Dear Richard,

I was left dissatisfied when you did not fully respond to my question at the Town Hall luncheon last week. At that moment I decided not to press because I did not want a public confrontation with you. (You have other work to do. Sometimes I do too.)

Unfortunately, that Green Beret intruder cut you off when you seemed poised to respond more fully to me, and that might have been to address the special point I had in mind, that is, the culture of silence.

What I asked you in addition to the well-publicized point that you oppose external investigations was whether that made good sense in the light of a profession that notoriously lives by the code of silence. That being true the ability of external investigators to get at the facts is impaired, and the only real solution is the Christopher Commission's major recommendation which was for an Inspector General which should have—although not necessarily has built-in yet—the disciplinary authority to extract the facts.

No matter how strong a disciplinarian you purport Chief Parks to be, no chief without an authorized IG can possibly get into all the nooks and crannies and goings on inside the LAPD. The Chief does not possibly have the time himself for that kind of scrutiny. Look at how long it took for Rampart to surface. A good look at what finally brought that scandal out would be worth the effort.

Right now the concept of the Inspector General has been so demeaned by the resistance at the upper levels of the LAPD including the Chief and yourself that the debate has been reduced only to being between internal versus external investigations. Especially in the current context of Rampart the IG should be strengthened and the precedent set for future such incidents. Although there has now developed a tilt toward an external investigation, we cannot keep building up to such every time there is a problem of the Rampart scale within the department.

Mayor Richard Riordan
5 May, 2000
Page 2

So the argument as between external versus internal investigations (with the latter, to repeat, impaired by the code of silence) is not the right argument. You and the Chief deal with the IG as being external. The IG must be structured so that it functions as an internal body, even though it is responsible to the Commission. The point is that it should have access. Or else the wheel spin will never cease.

And let's accept that Bernie Parks is as good a Chief as you purport. What about his successors?

Sincerely,

A handwritten signature in black ink, appearing to read "Stanley", with a large, stylized initial "S" and a long horizontal stroke extending to the right.

Stanley K. Sheinbaum
SKS/kc

cc: Warren Christopher, Esq.

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Inaction, Miscues Plagued Riordan on Rampart

By JIM NEWTON, Times Staff Writer

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Over the past seven years, Mayor Richard Riordan has invested more of his energy and reputation in the Los Angeles Police Department than in any other civic institution; now, the U.S. Justice Department effectively has told him that it no longer trusts him or the rest of the city's civilian leaders to run the LAPD without outside help.

In fact, it is hard to imagine a more direct or scathing repudiation of Riordan's administration than that delivered by the federal government last week. Moreover, the Justice Department's brusque ultimatum to the city--agree to reforms or face a lawsuit--also ends what has been the Riordan administration's attempt to deal with the Rampart scandal largely as a public relations crisis.

The administration's most recent attempt to take control of the scandal--by issuing a news release May 7 announcing the city's progress toward improving the LAPD's officer-tracking system--only highlighted what many observers see as the mayor's baffling inability to come fully to grips with the police corruption issue.

It was, those critics say, as if Riordan honestly believed that an eleventh-hour statement would somehow dissuade the Justice Department from following through on conclusions it had reached over the course of four years.

Among Riordan's friends, there is a widely expressed lament: The mayor missed an early opportunity to welcome the federal government's help in cleaning up the long-troubled department.

Instead, Riordan has privately fumed about the federal action while publicly remaining noncommittal, releasing a statement that expressed hope for a resolution without litigation, but that stopped short of suggesting that the city agree to a formal consent decree, supervised by a federal judge.

For the mayor, however, that might not be

possible to avoid.

"Riordan really has no choice at all," one elected official said. "He needs to admit failure and negotiate the best deal he can."

The mayor's office did not respond to a request for comment for this article.

Erwin Chemerinsky, a USC law professor who headed the elected charter reform commission, said the spectacle of the federal government challenging local authorities' ability to handle their own affairs is one for which many are responsible. The police chief, the Police Commission and the mayor all need to be held accountable for the LAPD's failure, Chemerinsky said.

"You have to hold the mayor accountable for not pushing for reforms," he said. "He was very effective at pushing for expansion of the Police Department but not for reforming it."

Riordan's moves in recent days only have highlighted his narrowing options and isolation from the rest of the city's political establishment.

While most city officials learned on Friday, May 5, of the federal government's decision to convene a meeting on the prospective lawsuit the following Monday, Riordan's staff elected not to inform him that day because he was celebrating his birthday--a decision that angered the mayor when he read about the meeting in the next day's paper.

When he did hear of the government's intention to seek a consent decree, Riordan initially told some associates that he believed the city should fight it out with the Justice Department in court. Few observers, including leaders of the Police Department, think that course would be wise, either legally or politically.

Then, rather than cancel a scheduled trip to Washington, D.C., on other matters that coincided with the Monday session in Los Angeles, Riordan elected to skip the meeting with the Civil Rights Division lawyers. From Washington, he continued to argue that management of the LAPD would be best handled locally.

Riordan returned to Los Angeles on Wednesday and met that evening with Acting Civil Rights Division Chief Bill Lann Lee, a Los Angeles lawyer whom Riordan recommended for the federal post.

On Thursday, the mayor released a statement in which he pledged to work with the Justice Department to avoid a lawsuit, but he also refrained from endorsing any specific solution that would turn over control or monitoring of the LAPD to a federal monitor or judge.

"Together we want to identify the most effective remedy to ensure that Justice Department

concerns are addressed and that best serves the interests of Los Angeles and its Police Department," Riordan's statement said.

More significant, Riordan's opinion about the best course for the city is fast becoming irrelevant. City Council members overwhelmingly favor entering into negotiations with the Justice Department on a consent decree, and as long as a majority of the council advocates that course, there's nothing Riordan can do to stop it.

That will change slightly on July 1, when the city's new charter takes effect. At that point, Riordan will have the authority to veto a deal, and it will take 10 votes rather than eight to overrule him.

But at the moment, only one member of the 15-member council appears eager to resist the consent decree, so the two-vote difference imposed by the new charter appears academic.

Harsh Views of Critics

Whatever Riordan does now, critics say, his actions--as well as those of his Police Commission and his police chief--already have eroded the Justice Department's faith in local authorities.

"The mayor's office is trying to downplay the severity of what is being critiqued," said City Councilman Mark Ridley-Thomas, once a mayoral ally but increasingly a critic. "They do not wish to acknowledge publicly or otherwise the depth of the crisis and the extent to which their policies and priorities may have aided and abetted this crisis."

More bluntly, he added: "The wrongheaded policies of the Riordan administration have come home to roost."

Ridley-Thomas and others cite several specifics in defense of that view. Riordan's emphasis on increasing the department's size put reform of the LAPD on the back burner, they say.

The administration delayed creation of the LAPD's inspector general's office and it allowed the LAPD to drag its feet on installing and updating a computerized officer-tracking system.

It has also blocked creation of a meaningful system of psychological testing for police officers, an issue in which former Secretary of State Warren M. Christopher, head of the independent commission that investigated the LAPD after the 1991 beating of Rodney G. King, has expressed personal interest--and dismay at the department's lack of progress.

Had the Riordan administration pushed as hard for those changes as it did for LAPD expansion--an area where the mayor did, with federal help, register huge gains--some of the problems that surfaced in the Rampart Division and elsewhere

might have been avoided, critics and even some Riordan supporters argue.

In defense of Riordan's record, others say the mayor did support strengthening the inspector general's office under the new charter and did preside over the successful completion of a number of other LAPD reforms, though Riordan was rarely the leading advocate for those changes. More broadly, the LAPD today also is larger and better equipped than at any other time in its history.

As it seeks to extricate itself from the current mess, the Riordan administration has sent several signals that it hopes to cut a deal with the federal government that stops short of a consent decree. In particular, Riordan Chief of Staff Kelly Martin, speaking on KCRW's "Which Way L.A." radio program, argued that the city might be better served by entering into a memorandum of understanding.

In essence, the difference between those approaches is that a consent decree would be overseen by a federal judge and any deviation from it could invite the judge to impose sanctions for contempt. A memorandum of understanding is more like a contract: It would be entered into by the two sides and, if either believed the other had failed to live up to it, the aggrieved party could file a lawsuit.

It's easy to see why local officials would prefer the latter route, but harder to see why it would appeal to the federal government. Without a formal decree, the government's ability to press for reform would be significantly reduced, especially because a new administration will soon be in place in Washington.

What's more, the principal point of frustration for the federal government is the sense that Los Angeles, for all its promises of police reform, has failed to carry it out. A memorandum of understanding would have more force than some of the previous commitments, but it still would lack the bite of a consent decree.

"Whether Justice would accept anything other than a consent decree is very much up in the air," said City Councilman Mike Feuer. Feuer added that the emphasis now, whether through a consent decree or other mechanism, must be for the agreement to advance the cause of police reform and to do it in a way that strengthens local systems of civilian oversight over the Police Department.

The worst-case scenario would be for the federal government to take over police reform entirely, leaving the city unprepared for what would happen when the issue returns to local control.

As a result, many observers believe local officials are fooling themselves if they think they will get out of this situation without a federal court's involvement. One reason, they say, is the federal government's evident frustration over the city's inability to upgrade the LAPD's computerized officer-tracking system.

Though it's a small issue compared with the overall problem of police misconduct, the city's failure on that system has emerged as an important symbol in Washington. Not only did the federal government urge creation of that system, it also went so far as to give \$162,000 to Los Angeles to build it, only to have the local government dawdle and allow the system to languish.

As of today, that money remains unspent, though council leaders and the mayor's office have pledged to complete the upgrade within a year.

Various members of the government blame one another for that breakdown, but none denies that the breakdown occurred. That is precisely, some sources say, why the federal government needs to step in: because local officials have proved that they are not up to the task.

And that, legal experts and others say, is one strong reason why the federal government is likely to insist on a consent decree, not some lesser remedy.

"I think, frankly, that that's the direction everything's headed," said Loyola law professor Laurie Levenson, a former federal prosecutor. "Anything else is just another promise. Los Angelans have had a lot of promises."

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5-22-00

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The media are what they deplore

GENE LYONS

If this column has had a single overriding theme during the past six years, it has been the increasing decadence of the Washington press corps.

What I mean by "decadent" in this context is an institution that claims to honor high-minded professional ideals that are nowhere evident in its actual behavior.

In theory, the press operates according to a strict code of ethics whose object is truthful discourse and open debate. Also in theory, intellectual dishonesty of every sort is relentlessly rooted out and exposed by vigorous competition.

In practice, as most alert citizens recognize, this is self-congratulatory rubbish. When their own interests are threatened, even the supposedly "liberal" media act with the very deceptiveness they profess to abominate in politicians.

Also in practice, the Washington press clique observes a strict code of silence with regard to each other's blunders and ethical lapses. Let a TV critic in Omaha plagiarize a review of "Buffy the Vampire Slayer," and he will be ritually humiliated. But let *The Washington Post* take dictation from a partisan independent counsel for six years in a futile quest for nonexistent "Whitewater" evidence, and the clique treats skeptics as pariahs.

"As the most powerful and largely unaccountable institution in American life," Joe Conason and I wrote in the afterword to our new book, "The Hunting of the President: The Ten Year Campaign to Destroy Bill and Hillary Clinton," "the Washington press appeared to have joined forces with a partisan prosecutor to void the results of two presidential elections. This overreaching was more bitterly resented than many in the media realized. Whatever the American people thought and felt about Bill Clinton's private behavior, they refused to forfeit their constitutional right to choose their chief executive for what they regarded as a ratings-driven *coup d'état*."

Needless to say, this opinion was not calculated to endear Conason and me to reporters, editors, pundits and news organizations whose erroneous and sometimes dishonest coverage of the so-called "Clinton Scandals" our book exposes. But we did hope to start a fight.

Our book's unofficial motto is: "Bring it on." As we see it, we're standing up for the honor of our profession and the right of citizens to hear the kind of democratic debate the Washington press promises, but rarely delivers. We're prepared to have it out in any venue of our antagonists' choosing.

Alas, it looks like they haven't got the guts for a scrap. Sneak attack is more their style. Two weeks ago, this column took issue with a review by Neil A. Lewis in *The New York Times Book Review* which inadvertently proved our book's thesis by accusing us of "brazen" distortion on the basis of erroneous reporting the *Times* itself had corrected four years ago.

Now, in keeping with the *Democrat-Gazette's* apparent policy of printing every hurtful syllable it can find about "The Hunting of the President," come an equally craven pair of antagonists: *Washington Post* columnist Michael Kelly and British *bon vivant* Christopher

copied
Blumenthal
Lockhart
Podesta

Hitchens.

Kelly uses Lewis' farcical review as a departure point for an attack on Conason and me as "come-what-may Clinton apologists" (Editorial page, April 14). He squeezes this dread accusation into the column four times without once informing readers of our pointed criticism of his own reporting, a characteristic bit of intellectual dishonesty.

It's precisely because he has no answers to our well-documented arguments that Kelly resorts to name-calling of a kind evidently intended to send us scampering back under the porch with our tails between our legs. Instead, "Clinton apologist" summons nostalgic memories of Marxist cant like "Trotskyite deviationist" or "running-dog imperialist lackey."

So what is it about President Clinton that inspires in Kelly "a mixture of fear and contempt"? (If I were Kelly, I don't think I'd admit being afraid of Clinton.) Apart from invoking the names of Linda Tripp, Paula Jones and Juanita Broaddrick, it appears to be the same qualities he described in a trend-setting 1994 article in *The New York Times Magazine*. Back then, Kelly explained away Clinton's six statewide election victories by claiming that "Arkansas is not really a democracy." The article exemplified what we call "naive cynicism," a mood in which "complexity and inconvenient fact are ignored while melodrama is crafted from ordinary political behavior."

Specifically, we show how Kelly's ignorance or distortion of crucial realities made it easy for him to portray Clinton as an unprincipled sellout. For example, he scolded Clinton for levying no fines against Tyson Foods over polluted well water. Alas, the incident he wrote about took place in 1982 on Gov. Frank White's watch. Nor did the state have any authority to fine corporate polluters until Clinton pushed new laws through the Legislature in 1985. Kelly's article, we show, was replete with numerous such errors, all running in the same accusatory direction.

Today Kelly assures us that many Arkansans "who shared [Clinton's] partisan and ideological leanings" found him "in a fundamental sense, both contemptible and destructive." Who are they? He cites no names.

David Pryor and Dale Bumpers have criticized Kelly's "dubious psychological speculation," and called his portrait of Clinton "naive . . . mean-spirited and wrong." Even after the Monica Lewinsky scandal, most of Kelly's sources for that 1994 article remain shocked by its animus. Veteran journalist and *Arkansas Times* columnist Ernest Dumas spent hours giving Kelly a primer on recent Arkansas history only to find it all turned upside-down.

"It was theme first, facts second," Dumas said. "He just threw out anything that didn't fit in with his story line. I remember reading the piece and thinking 'this is kind of strange.'"

Attorney Wally Nixon, whose well-publicized break with Clinton over energy policy Kelly also wrote about, showed me an unpublished letter he'd sent to *Times* editors protesting that despite his willingness "to talk candidly about [his] experiences with the president in his formative years [he] remain[s] on his side" and does to this day. Nixon recalls emphasizing that point to Kelly, who implied otherwise in his article. Nixon thinks he speaks for most of Kelly's sources.

Then there's Christopher Hitchens, who, according to John Brummett's April 13 column, dismissed our work without reading it on the basis of a breakfast conversation of which I have two strong memories. One was of Hitchens gulping three double scotches over eggs Benedict; the other was of Conason's asking him why, given that his and Clinton's mutual friends in England uniformly described the

president as a brilliant and fundamentally compassionate man, Hitchens had chosen to side with his own most virulent political enemies.

I don't recall Hitchens having a satisfactory answer. Nor would I have violated his confidence had he not chosen to blurt out his version of a private conversation at a public forum.

Meanwhile, after reading Brummett's column, a little gremlin sent me a copy of a 1996 *Vanity Fair* article in which Hitchens vigorously scolds critics for applauding a decision by St. Martin's Press not to publish a book by the notorious Holocaust denier David Irving, which, he comments acidly, "having neither read nor seen the book, [they] could now safely counsel others to do likewise."

Defending Adolf Hitler, it seems, is one thing; defending Bill Clinton quite another.

Gene Lyons is a Little Rock author and recipient of the National Magazine Award. His column appears on Wednesdays.

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OPINIONS

Vengeance Is Mine, Says Starr's Successor

by Joe Conason

The other day Robert Ray—the prosecutor appointed to succeed former independent counsel Kenneth Starr in the six-year-old Whitewater-Foster suicide-Travel Office-F.B.I. files-Rose Law Firm files-Monica Lewinsky-Kathleen Willey investigation—announced that he may seek to indict Bill Clinton after the President leaves office next January. Evidently he is in no hurry to complete the legally required reports about the long list of pending probes left behind by his predecessor. Instead, he apparently considers it his primary duty to vindicate Mr. Starr.

Even the editorialists at *The New York Times*, who strained to excuse the excesses of the Starr investigation, think that Mr. Ray's proposed adventure is a bit much. Richard Posner, the ultraconservative legal eminence from the University of Chicago and no friend of the President, has written that the prospect of a Clinton indictment next January is far-fetched.

Winning a felony conviction of Mr. Clinton might lie beyond the reach of the most persistent prosecutor. Would he be charged with perjury? He certainly lied, but the independent counsel would have to prove beyond a reasonable doubt that the President's prevarications were actually material to the Paula Jones case.

Would Mr. Clinton be charged with obstruction of justice? Given what we already know about the grand jury testimony of Ms. Lewinsky and others, an obstruction count would be equally hard to prove. Had the independent counsel really believed that Vernon Jordan or Betty Currie were lying about the Lewinsky scandal, he could have indicted them two years ago and tried to induce them to testify against the President. Evidently there was insufficient evidence to support any such theory, no matter how fervently Mr. Starr may have believed it.

That leaves the Kathleen Willey affair, in which Mr. Starr and his deputies attempted to show that someone associated with the Clinton White House had tried to intimidate her from testifying about the alleged Presidential grope. But Linda Tripp, Mr. Starr's other star witness, severely undermined Ms. Willey's credibility



JOE CONASON

It must be tempting to make history as the first prosecutor to indict a former President.

when she swore that Ms. Willey had desired a romantic involvement with the President.

Yet Mr. Ray may not be discouraged by such factual obstacles. It must be tempting to make history as the first prosecutor to indict a former President; and if most Americans would not approve, there is still a small and very powerful minority who would applaud loudly. Conservatives who once tried to justify the pardon afforded Richard Nixon—a man whose crimes in office make Mr. Clinton's peccadilloes seem vanishingly insignificant—now admonish us that "no one is above the law."

Based on Mr. Ray's previous service, he may indeed become the perfect champion of that unreconciled faction. Prior to taking over from Mr. Starr, he served as chief deputy to Donald Smaltz, the independent counsel who spent years and millions in the bumbling, intensely politicized and ultimately unsuccessful prosecution of former Agriculture Secretary Mike Espy. While Mr. Espy was found innocent of accepting an illegal gratuity from Tyson Foods, the giant Arkansas poultry processor, others caught up in that probe didn't fare as well.

One of those unfortunates was Archie Schaffer. As a Tyson official, Mr. Schaffer invited Mr. Espy to two events in early 1993: an inaugural party and a birthday party for company chairman Don Tyson. On that basis, Mr. Ray charged Mr. Schaffer with violating the Meat Inspection Act, a statute whose true purpose is obvious from its title—that is, to punish butchers who try to bribe federal inspectors.

Mr. Ray won a conviction of Mr. Schaffer, which was overtuned on appeal by the trial judge. Among other problems, the judge noted that the Meat Inspection Act doesn't cover the poultry industry. He ruled that "no rational trier of fact" could find that Mr. Schaffer had tried to influence Mr. Espy's official actions.

Two months after Mr. Schaffer's conviction was overturned in September 1998, the former Agriculture Secretary was acquitted on all counts. That repudiation by the jury, however, didn't dissuade Mr. Ray from seeking to punish Mr. Schaffer on the flimsiest grounds. He sought and won reinstatement of the conviction, even though the aims of the investigation had been permanently thwarted.

Just weeks ago, Mr. Ray once more demonstrated that he is ruled by a vengeful impulse, well beyond any necessity to uphold the law. He personally appeared in a federal courtroom in Virginia to oppose Julie Hiatt Steele's plea for reimbursement of the enormous costs of Mr. Starr's failed perjury prosecution of her. Under Federal law she is entitled to such assistance, but Mr. Ray thinks the destitute single mother should be denied it. The prosecution of Ms. Steele was a low point for the Starr office, but Mr. Ray appears doggedly intent upon "vindication" there, too. Such poor judgment is a bad omen for the heavy decisions that still await him.

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This column ran on page 5 in the 4/24/2000 edition of The New York Observer.

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5-22-00

Daniel Patrick Moynihan
New York

United States Senate
Washington, D. C.
May 9, 2000

Grims
what about
him?

Dear Mr. President:

I can't imagine that you got back to the newspaper during yesterday's travel. So here is the column by Bob Dole that I mentioned. If we revive this, it might be an important event. In a too close to call decision of the utmost gravity.

Respectfully,



The President
The White House
Washington, DC 20500

Attachment

copied
Sperling
Podesta
Reg Affs
(for reply)

THE WASHINGTON POST

Bob Dole

3-Strikes Test for The WTO

Normalization of trade relations with China depends on China's willingness to open its markets and play by the rules set for members of the World Trade Organization (WTO). With the House due to vote this month and the Senate probably in June, debate on this issue will be on the front burner.

I support permanent trade normalization, but Congress must play a more direct role in determining our future relationship with all WTO member countries, not just China.

In December 1994 Congress passed legislation implementing a new GATT (General Agreement on Tariffs and Trade), which established an international body known as the World Trade Organization. When Congress agreed that the United States should join the WTO in 1994, I was concerned, as were many Americans, that this forum might be harmful to legitimate U.S. interests in global trade. Others believed, and some still do, that Congress was legislating away American jobs and sovereignty.

Since its inception, the WTO and its dispute-settlement decisions have been controversial. Most frustrating have been efforts by some countries to avoid compliance with WTO decisions. The United States wins far more cases than it loses, but any new legislation must address the failure of countries to abide by WTO decisions; otherwise, the WTO will become a nullity.

My proposal addresses situations in which the United States is the losing party in the WTO. I believed while in Congress—and still do—that we should establish a WTO dispute-settlement-review commission to ensure that legitimate U.S. interests are fully protected.

In 1995 I, along with Sen. Daniel Patrick

Moynihan (D-N.Y.), introduced legislation to establish such a commission. It had bipartisan support. One supporter, Rep. Sander Levin, now is advancing a proposal that is similar but would apply only to China. In 1995-96 my bill would have passed overwhelmingly but for the procedural maneuverings of those whose ultimate goal was to kill the WTO.

Passing similar legislation now could be helpful to undecided members in determining their vote on permanent normal trade relations with China. My proposal would protect U.S. interests and would strengthen the likelihood that the agreement with China will be to our long-term advantage.

The commission would be a U.S., not an international, agency, composed of five federal judges. It would review all WTO cases in which the United States is the losing party. If the commission determined that the WTO exceeded its authority or abused its discretion, it would report that to Congress. Any member of Congress then would have the right to introduce a joint resolution directing the president to try to negotiate corrective modifications in WTO rules.

If the commission reported three abusive decisions by the WTO during a five-year period, any member of Congress could introduce a joint resolution calling for U.S. withdrawal from the WTO. If such a resolution were enacted within 90 legislative days and there were no changes in WTO rules, the United States would cease to be a WTO member.

The purpose of this three-strikes process is to provide some U.S. control over the WTO dispute-settlement mechanism. It is in our national interest for the WTO to work well and to gain credibility.

Some critics said at the time that my proposal would destroy the WTO, politicize the dispute-settlement process, overburden our judiciary and cause copy-cat legislation to be enacted in other countries. I disagree.

Dispute-settlement panels would be far more careful in their interpretations of trade agreements knowing that a country's impartial judiciary was to scrutinize the result. Perhaps more important, negotiators of trade agreements would use far greater precision in the language of future agreements, which would then reduce the number, complexity and duration of disputes. In the end, the WTO would be stronger.

This proposal would reduce the political influence of both extremes of the trade debate—i.e., those who wish to throw open every aspect of our economy to the world's producers no matter their business methods, and those who would close our borders whether through new tariffs, quotas, sanctions or other methods of protectionism.

If the WTO were found to have acted properly, affected interest groups could complain to kingdom come: The finding of the review panel would validate the WTO process. On the other hand, a finding that the WTO exceeded its authority almost certainly would cause the trade organization to take corrective action.

The "three strikes" test is also a buffer against politicization. It would take three abusive decisions within five years to trigger U.S. withdrawal. The problem then would pretty clearly lie with the WTO, not U.S. politics. With respect to the burden on the judicial system, the record of the WTO to date shows that the commission would be called upon infrequently.

Finally, the United States should welcome the adoption by other countries of similar legislation. Nothing could be more beneficial for the WTO process than more scrutiny, more involvement by its members in precise negotiating of rights and obligations in trade agreements and greater transparency in dispute settlement.

The writer was the Republican candidate for president in 1996

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