



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

SECRETARY OF THE TREASURY

June 27, 2000

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Podesta

MEMORANDUM FOR THE PRESIDENT

FROM: Lawrence H. Summers *LS*
SUBJECT: Options to Reduce Top Estate Tax Rates

JP

We need to discuss

JS

Summary

In response to your request, this memorandum considers two options for reducing top estate tax rates. The first option would replace the progressive schedule of estate tax rates that exists under current law with a flat 39.6 percent rate—the top individual income tax rate. The second option would cut estate tax rates across the board by 20 percent, retaining the progressive rate structure, but cutting the top rate from 55 percent to 44 percent. That option was included in the House Democrat's estate tax proposal.

In summary, either option to reduce rates would cost roughly \$90 billion over ten years if made effective in 2001. Between two-thirds and four-fifths of the benefits of tax rate reduction would go to estates larger than \$5 million. If combined with options to remove smaller estates and family-owned farms and businesses from the estate tax rolls, as discussed in the June 21 memo, the total cost could increase into the \$120 to \$140 billion range.

By comparison, the House Republican estate tax repeal bill was scored as costing about \$100 billion over ten years. However, the revenue estimate for the House bill hides most of its cost because repeal would not become fully effective until 2010—and not show up on estate tax returns until 2011. When fully phased in, the annual cost of repeal is around \$50 billion per year. The comparable annual cost for rate reduction would be one quarter as much—about \$12 billion per year.

Although it is true that estate tax rates appear to be quite high, ranging up to 55 percent for large estates, that appearance is somewhat deceptive. The statutory rates under the federal tax include both state and federal components, because state inheritance and estate taxes are rebated by means of a federal tax credit. For the largest estates, the 55 percent statutory tax rate includes a

¹ Ways and Means Democrats proposed on June 9, 2000 to: (1) raise the amount exempt from estate tax from \$675,000 to \$1.1 million in 2001, and to \$1.2 million in 2006; (2) reduce estate tax rates 20 percent; and, (3) raise the amount of small farm and business assets that is exempt from tax from \$1.3 million to \$2 million per estate (\$4 million per couple). It would limit the revenue cost by replacing the state death tax credit with a deduction (discussed below) and closing some estate tax loopholes.

16-percent state rate plus a 39-percent net federal rate. That 39-percent net rate compares favorably with the 39.6 percent top individual income tax rate. Moreover, the one-time estate tax is intended as a backstop against the effects of lifetime tax avoidance, whereas the income tax is assessed annually. Thus, arguably, federal estate tax rates are not excessive when all things are considered.

Recommendation

Given those considerations and the high cost and regressivity of estate tax rate relief, we recommend that estate tax reform focus instead on removing small estates, family farms, and family-owned businesses from the tax rolls. That targeted relief, which would benefit all estate taxpayers, could be accomplished at relatively modest cost by raising the unified credit and increasing the tax-free allowance for family-owned farms and businesses.

Attachment

Option 1: Flat 39.6 percent rate

Under current law, marginal estate tax rates range from 37 percent on taxable estates under \$750,000 to a top rate of 55 percent on estates in excess of \$3,000,000. A 5-percent surtax, designed to phase out the benefit of graduated estate tax rates, applies to very large estates (over \$10 million).

Under the option, a flat 39.6 percent rate would replace the progressive rates and surtax. That rate would equal the top individual income tax rate, and would help defuse the argument that the estate tax is confiscatory.

The proposal would provide the largest tax cut to estates over \$3,000,000, and an especially large tax cut for those estates over \$10 million that are currently subject to the 5-percent surtax. It would provide little or no tax relief for smaller estates. In 2010, estates larger than \$5 million would receive 80 percent of the benefit of this option.

The proposal would cost about \$90 billion over ten years if effective in 2001.

Option 2: Cut tax rates across the board by 20 percent

The House Democratic alternative proposed to reduce all tax rates (except for the 5% surtax for very large estates) by 20 percent. The resulting statutory rates would range from 29.6 percent to 44 percent. This option would retain a progressive rate structure while somewhat constraining the revenue cost, by assessing lower estate tax rates than Option 1 on estates smaller than \$2.5 million and higher rates on large estates. In 2010, estates larger than \$5 million would receive two-thirds of the benefit of this option.

The proposal would also cost about \$90 billion over ten years. If the top rate were limited to 39.6 percent (as in Option 1), a progressive rate schedule would cost more than \$100 billion.

Possible Revenue Offset: Replace state death tax credit with a deduction.

The House Democratic alternative would have eliminated the state death tax credit and allowed a deduction for all state inheritance and estate taxes paid. We would expect revenues from such taxes to fall as a result of this provision. Under current law, state death taxes are fully creditable against the federal tax, up to a limit. The federal tax credit effectively rebates the state taxes. As a result, all states currently levy inheritance and estate taxes that are equal to or greater than the maximum federal credit allowed for each estate.

The logic behind repeal of the state death tax credit is that the federal marginal estate tax rate effectively includes both the federal tax and the state tax. As a result, under current law, the federal government is "blamed" for both its own tax and the embedded state tax. For example, by providing a 16-percent state death tax credit for the largest estates, the statutory federal

marginal estate tax rate of 55 percent combines an effective 16 percent state tax rate and a 39 percent effective federal estate tax rate.

Most state laws refer directly to the federal credit. In those states, repealing the federal credit would effectively reduce state revenues from inheritance and estate taxes to zero. States would have to enact new laws that are independent of the federal credit, or forgo this revenue. They might also compete with one another to enact the most favorable estate and inheritance tax provisions—the very situation that the state death tax credit was designed to avoid.

Although there was not an outcry from the states about the Democratic alternative, the states might be more exercised if the proposal originated with the Administration. The largest amount of state death tax credits in 1998 were for decedents from California (\$0.7 billion), Florida (\$0.5 billion), and New York (\$0.5 billion).

Replacing the state death tax credit with a deduction would reduce the cost of rate reduction by around \$65 billion over ten years. Note that the Administration's budget proposed \$9 billion of loophole closers that could also be used to reduce the net cost of estate tax reform. House Democrats proposed \$7 billion of those offsets.

United Press International

DETERMINED TO BE AN ADMINISTRATIVE

Arnaud de Borchgrave
President and Chief Executive Officer

MARKING INITIALS: MI DATE: 2/5/20

2019-09-05

00 JUN 30 14:45

PERSONAL & CONFIDENTIAL

June 29, 2000

CC:

Joe Lockhart

Thurs staff secretary

The President
The White House
Washington, D.C.
(By hand)

Dear Mr. President:

I was informed today that UPI was about to lose its permanent seat on Air Force One because someone was spreading the rumor that UPI was destined to become an echo chamber for the "Clinton-bashing" Washington Times.

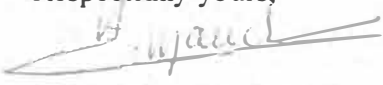
As our mutual friends Mack McLarty and Beth and Ron Dozoretz can testify, I have always defended you as the best political leader this country has seen in the 50 years I have been practicing this profession. I would never allow UPI to engage in any bashing of anyone and you least of all. I am a registered independent and UPI is an independent global news agency, with clients all over the world, whose editorial independence is guaranteed by contract. Our job is to report the news fairly and objectively.

After some perilous times, UPI, where I started my journalistic career after World War II, is now on a rapid growth curve.

During the Cold War, I was, of course, a staunch anti-Communist. But as soon as the Soviet Union imploded, I was among the first to advocate NATO membership for Russia and an end to the Cuban embargo.

I sincerely hope, Mr. President, that you can personally intervene to make sure UPI is not evicted from Air Force One and thus denied the privilege of traveling with you.

Respectfully yours,


Arnaud de Borchgrave
President & CEO
United Press International

6-30-00

To Burkhardt for reply?
Yes ☒ No ☐

B.

United Press International

Arnaud de Borchgrave
President and Chief Executive Officer

PERSONAL

June 29, 2000



**Ms. Nancy Hernreich
West Wing
The White House
Washington, D.C.
(By hand)**

Dear Ms. Hernreich:

I am writing to you at the suggestion of Mrs. Dozoretz who said you would be kind enough to ensure that my attached letter to The President is safely delivered to him.

Please accept my apologies for what I hope is not too much of an imposition.

Sincerely,



Arnaud de Borchgrave

JACK REED
RHODE ISLAND

COMMITTEES

ARMED SERVICES

BANKING

HEALTH AND EDUCATION

AGING

United States Senate

WASHINGTON, DC 20510-3903

PLEASE RESPOND TO:

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WASHINGTON, DC 20510-3903
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CRANSTON, RI 02920-5602
(401) 943-3100
TDD RELAY RHODE ISLAND
1-(800) 745-5555

www.senate.gov/~reed

June 27, 2000

The Honorable William J. Clinton
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

00 JUN 30 PM 6:45

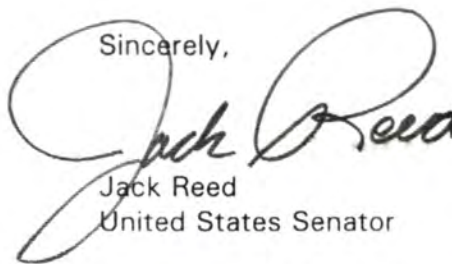
Dear President Clinton:

As you may know, the President of the Republic of Cape Verde, His Excellency Dr. Antonio Mascarenhas Monteiro, will be making an official visit to Washington, DC July 25 - 27, 2000. President Monteiro would like to schedule a meeting with you during his visit to this country.

Ambassador Amilcar Spencer Lopes, Ambassador of the Republic of Cape Verde to the United States, may act as liaison between the White House and President Monteiro if your schedule permits a meeting.

Thank you for your consideration of this request. If you have any questions or require additional information, please do not hesitate to contact me. I look forward to hearing from you.

Sincerely,


Jack Reed
United States Senator

6-30-00

To NSC for reply?

Yes ☒ No ☐

B.

cc: Leg Affairs
Scheduling

Capricia,

Many thanks for your help in

the PASS. Could I Ask you

to Pass this on to the President.

Kind regards

P

6-30-00

Send to Burkhardt?

Yes ☒

No ☐

coordinate w/ NSC

cul



PAUL ALLEN & ASSOCIATES

Public Relations

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DUBLIN 2.

TELEPHONE 00-353-1 676 9575

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E-MAIL: paapr@iol.ie

Website: www.paireland.com

WITH COMPLIMENTS

16th June 2000

President Bill Clinton
The White House
Pennsylvania Avenue
Washington D.C.
U.S.A.



PAUL ALLEN & ASSOCIATES
Public Relations

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DUBLIN 2,
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FACSIMILE 00-353-1 676 9518
E-MAIL: paapr@iol.ie
Website: www.paireland.com

Dear Mr. President,

As we count down the final hours of your Presidency, we proudly acknowledge the contribution you have made to building lasting peace on the island of Ireland.

I had the pleasure of meeting you during your two highly significant visits to Dublin – on one occasion you might recall that I gave you a copy of a book that records the visit to Ireland of President Kennedy in 1963. You spoke to me at great length later at Ballybunion Golf Course of your interest in President Kennedy's years and his visit to Ireland.

Mr. President, at some point in the future, possibly before the end of your Presidency or at another time in the not too distant future, you would consider visiting the countryside that bore the most famous Irish-American family – New Ross, County Wexford and the Kennedy Homestead. While there, you could retrace the steps of the late President, as he gave his noted oration from the small country quayside.

Finally, during my last visit to The White House on St. Patrick's Day (see enclosed accreditation) I had hoped to present this Irish Rugby jersey to you (Clinton 21), to ensure that you always remember Ireland and in the hope that some day you might return. Also, as a lasting memento, I would be honoured if you would send me a signed, dedicated photograph of yourself.

Yours sincerely,

Paul Allen

STILL UNIDENTIFIED

DATE 3/17/00

LOCATION WDC

AFFILIATION SUNDAY BUS POST

NAME ALLEN PAUL

PRESS

*Visit of the
Prime Minister of
Ireland*

Friday, March 17, 2000



PRESS



PRESS

NAME	ALLEN, PAUL
AFFILIATION	SUNDAY BUS POST
LOCATION	WDC
DATE	3/17/00

VISIT TO THE UNITED STATES

No. 1789

Visit of the Prime Minister of Ireland

Friday, March 17, 2000



PRESS

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IERLAND

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EMBASSY OF THE
UNITED STATES OF AMERICA

THE AMBASSADOR

June 29, 2000

Thru Staff Secretary

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

Dear Mr. President:

It is an honor and a pleasure for me to transmit to you Prime Minister Panday's June 15 letter of congratulation and appreciation on the passage of the Caribbean Basin Trade Partnership Act. As you may recall, PM Panday accompanied several Central American presidents to Washington last September to press Congressional leaders for a favorable vote on this legislation. In a speech I gave yesterday here in Port of Spain, I referred to your strong support for and the ultimate passage of CBI as "keeping your word" and "revealing the deep level of the Clinton administration's commitment to our Caribbean neighbors."

In my opinion as your ambassador here, Trinidad and Tobago remains our most dependable friend and strongest ally in this region. This was again demonstrated several weeks ago during Attorney General Reno's highly successful visit here when we signed an agreement governing the return of criminal deportees which is the first such accord reached on this troublesome issue in the entire Caribbean. As I mentioned previously, I hope you will be able to visit this beautiful and economically vibrant country at some point during your presidency.

On a personal note, thank you for recent letter. I hope I will get a chance to see you when I am in Washington this summer. Polly joins me in sending all our best to Hillary and you.

6/30/00

Sincerely,

EJ

Edward E. Shumaker, III

Send to NSC?

Yes ☒

No ☐

Carl



PRIME MINISTER
REPUBLIC OF TRINIDAD AND TOBAGO

June 15, 2000

The Honourable William J. Clinton
President of the United States of America
The White House
Washington D.C. 20500
UNITED STATES OF AMERICA

Dear Mr President,

I have the honour and pleasure to address you on the occasion of the recent passage and signature into United States law of the Trade and Development Act of 2000, and, more specifically, in respect of the provisions relating to the United States Caribbean Basin Trade Partnership Act.

The Caribbean Basin Enhancement Legislation which grants NAFTA parity to several products previously excluded under the CBI, was, a priori, viewed as a litmus test of the United States/Caribbean relations.

I am therefore particularly heartened that the Bill received such overwhelming bipartisan support on Capitol Hill.

This is a manifest example that the 'new partnership' we embarked upon at the Bridgetown Summit in 1997 is working well, and to the mutual benefit of our peoples. This development also augurs well for the future of United States/Caribbean relations, particularly, as we of the smaller economies prepare for full and effective participation in the Free Trade Area of the Americas.

Mr President, please accept my sincere appreciation for the considerable interest and commitment you, and the members of your administration, have demonstrated on behalf of Caribbean peoples. And, please convey my gratitude to the Congressional leadership in both the House and Senate, without whom this historic achievement would not have been possible.

The Government and People of the Republic of Trinidad and Tobago look forward to the continued growth and strengthening of the United States/Caribbean partnership in the new century.

Please accept, Mr President, the assurances of my highest consideration.



Basdeo Panday

copied
Marshall
Street
Hennrich
Podesta

6-30-00

THE WHITE HOUSE
WASHINGTON

June 28, 2000

Cynthia
set this up
Bo

Dear President and Mrs. Clinton:

It's official (see attached paper work): the Senate has confirmed my nomination to Rear Admiral!

Once again, I thank you from the bottom of my heart. This would never have been possible without your support and trust. This promotion not only honors my 23 years of service to the Navy but it also honors generations of Filipino Americans who have served before me. I will become the first Filipino American to achieve flag rank in the United States Navy. This honor will also make me the first graduate of our nation's military medical school, the Uniformed Services University of the Health Sciences, to be awarded flag rank. My alma mater, in the span of only ten years, has produced eight White House Physicians - more than any other medical school in America.

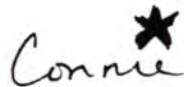
Again, I would be honored if you would preside over my ceremony in July. I will work closely with your schedulers to find a date in which you are both in town at the same time (this will be a challenge!). My family, including my parents, brother, and sister from San Diego, will be in attendance. I hope to also invite many of my associates and close friends who have supported me throughout my eight years at the White House.

OK I ask a special favor of you. With your kind permission, I would like to hold my ceremony in the State Dining Room. This particular room has special meaning for "my people" because it is where many generations of Filipinos have literally served their country. (I refer you to the attached draft of my remarks for the ceremony.) It is only fitting that the daughter of a Filipino steward be promoted in this special room, under the portrait of Abraham Lincoln, with the President and First Lady looking on. Your presence is more than mere symbolism because your administration has done more to honor and recognize Asian Pacific Americans than any other previous administration in American history. This has been especially

evident over the past few months in which we have participated in such historic events as the Medal of Honor awards to Asian Americans veterans.

I am deeply touched and humbled by this honor. But most of all, I am indebted to you for making this honor truly a "first" in many ways.

I remain yours in service,



E. Connie Mariano, MD
Rear Admiral (select), Medical Corps, U. S. Navy

Senate of the United States
IN EXECUTIVE SESSION

June 27, 2000

Resolved, That the Senate advise and consent to the following
nomination:

The following named officer for appointment in the United States Navy
to the grade indicated in accordance with Article II, Section 2, Clause 2, of the
Constitution:

To be Rear Admiral (Lower Half)

Capt. Eleanor C. Mariano, 1175

Attest:



Secretary.



DRAFT

Dr. Mariano's remarks at Promotion Ceremony to Rear Admiral

Thank you for being here today.

When I learned I was to be promoted, I told a colleague of mine in the Medical Unit that I was speechless and didn't know what to say. My astute colleague quickly reminded me, "well, that won't last very long."

I believe ceremonies such as these should recognize and honor the many people who made the promotion possible. Many of you are responsible for this special day. I would like to acknowledge those people who have played a special role in my life.

First of all: my family. Thank you to my husband, Richard Stevens, for your love, patience, and understanding. Not only are you my valued domestic advisor and mentor, but you continue to be my best friend for the past 28 years.

Thank you to our sons, Andrew and Jason Stevens. Thank you for your support, encouragement, and love. You, more than anyone, know how to keep me humble. You will forever be my greatest achievement in life.

I thank my parents: retired Navy Master Chief Angel Mariano and my mother, Dr. Lourdes Jingco Mariano. I owe my love of the Navy to my father who served for 29 years. I owe my love of medicine and science to my mother who gave up her career in dentistry to be a devoted mother and homemaker. Mom and Dad: you made this day possible through your many sacrifices. This would have never been possible without your love and prayers.

I thank my brother, Angel, and my sister, Lorie, for their constant support, faith, and encouragement throughout the years.

I would like to recognize my other family: the one with whom I have spent most of my time during the past eight years---the White House Medical Unit. There is no finer team of professionals than you - both in the military and civilian worlds. You are the best of the best.

To Colonel Richard Tubb: thank you for all you have done to support me. You are a true colleague, loyal partner, advisor, and friend.

To Commander Barbara Idone: thank you for your dedication, loyalty, sharp wit, and refreshing honesty.

To the White House Physicians - Dr. Nash, Dr. Fuller, and Dr. Cox. You are the best group practice around. I value your judgment, I am grateful for your support, and I cherish your friendship.

To the White House Physician Assistants - Craig, Marc, Mike, Carol, and Dan. You have my utmost respect and gratitude.

To the White House Nurses - Cindy, Rene, Stacy, and Pam. Thank you for taking care of our patients and the Unit.

To the Medical Unit enlisted staff - Ray, Mac, and Curtis. I thank you for always getting the job done well.

To my executive assistant, Phyl Green - you finally get to be a real flag writer again. Thank you for taking care of me.

Particular thanks to Mr. Jake Simmons - director of the White House Military Office: thank you, RADM(sel) Nancy Brown, and all the fine men and women in your office. This would not have been possible without your support. You have my utmost respect and gratitude.

I'd also like to recognize in the audience some of our special guests:

Captain Frank Maguire - ever since internship, you have been my role model and hero. Thank you for being my personal physician and friend.

Retired Navy Captain Stephen Duich - my first commanding officer over 17 years ago on the USS Prairie. Thank you for teaching me many lessons about leadership.

Captain John Mitas - as the chief of medicine at the Naval Hospital in San Diego - you were my finest boss. Thank you for nominating me to become a White House Physician. I wouldn't be here if it hadn't been for your trust and confidence in me.

Captain Al Roberts - Thank you for leaving the White House! If you hadn't vacated the Navy Physician billet, I wouldn't be here today. Thank you for selecting me. Thank you for your guidance and wisdom throughout the years.

Retired RADM and now President of Marian College, Dick Ridenour Thank you for your mentorship and friendship.

Retired Navy Commander Bill McGee who is now Director of Operations at Marian College - Thank you for being my right hand and right brain at the White House. You will forever be a true friend.

I would also like to acknowledge my medical school - the Uniformed Services University School of Medicine - America's military medical school. I am honored that the President of USU, President James Zimble, a former Surgeon General of the Navy, is here today. President Zimble, please convey my gratitude to the outstanding professors and staff at USU. In the span of only ten years, the White House Medical Unit has selected eight graduates of USU who have served as White House Physicians - more than any other medical school in America.

My promotion today has special meaning for my family. I came from a Navy family where my father, uncles, cousins, and great uncles have dedicated over 100 years of accumulated service to the Navy.

My father served six admirals during his career. I grew up in a home where the name "admeeral" took on god-like qualities. Occasionally, I would accompany my father on a weekend to his work place - which was the

admiral's quarters or home. We never went through the front door. We always entered through the back door, through the kitchen.

Actually, as I look back I realize this was excellent preparation for my life at the White House where we usually enter buildings through the garage, loading dock or kitchen.

Whenever I would visit my father in the admiral's house, we would stay only in the kitchen. At that time, we believed it was our place. At that time, my father not only accepted this but he was grateful for the opportunity to serve as a steward. It was his honor to serve in this way.

And this is why we are here today. In this beautiful room. The President and Mrs. Clinton have graciously offered to hold the ceremony here - in the State Dining Room - with President Lincoln looking on. For it was in the dining room and adjoining kitchen where my father and many stewards before him served America.

I believe this promotion honors not just me and my family. I believe this promotion honors the thousands of Filipino American servicemen who have come before me - who have paved the way. For many of them, the only way they could serve America was as stewards in the kitchens, dining rooms, and in the homes of senior officers.

I am blessed to stand before you today as proof that Filipino Americans no longer have to go through the kitchen door to succeed in the United States Navy.

Therefore, it is only fitting that the daughter of a Filipino Navy steward receive this honor in the State Dining Room. If today you hear the sound of glass breaking, it's not kitchen glassware being broken. It's the ceiling being shattered.

Throughout my eight years at the White House, I have worked side by side with Filipino mess specialists who take care of the President. The Master Chiefs who serve as the President's personal valets have been a daily reminder to me of where I came from and why I am here - and that is, to serve. I thank all of the members of the Mess, and especially, the Master Chiefs, for their constant example of service and humility.

Finally, I thank President and Mrs. Clinton for making this all possible. Your administration has done more to recognize and honor Asian Pacific Americans than any other administration in history. We thank you for that.

Thank you, Mr. President, for your trust, your kindness, your unending support, and your wonderful sense of humor. It is an honor to be your physician. I guess you can say, today, we've had a role reversal. Today, the patient has taken care of the doctor.

Mrs. Clinton: thank you for your graciousness and kindness to me and the Medical Unit. I will always cherish the privilege of having served as your family physician.

Let me conclude by thanking all of you once again. You have all played a special role in my life and I am grateful to you. Thank you.

NORMAN — Jo Neil Morphey, age 64, of Norman died Friday. Services will be 2 p.m. Monday in the Barr Memorial Presbyterian Church with interment in Black Springs Cemetery under the direction of Davis-Smith Funeral Home of Glenwood. Visitation is scheduled for Sunday from 4 p.m. until 6 p.m.

6-30-00

Jo Neil Morphey

Five-term clerk, 64, served home county

BY LARRY AULT
ARKANSAS DEMOCRAT-GAZETTE

NORMAN — Jo Neil Morphey aspired to be the first county clerk from the southern part of Montgomery County.

Morphey achieved her goal in 1982, then served five terms as circuit and county clerk before retiring in 1992.

"She set her goal. She was going to serve in that office," said Ruth Horne of Norman, a lifelong friend.

Morphey died Friday at the University of Arkansas for Medical Sciences in Little Rock of lung cancer. She was 64.

She was born April 10, 1936, to Alton Watson and Mildred Loudermilk Watson in Black Springs, now Norman, in Montgomery County.

As a youth, she lived in the mountains of California during the summer months and learned to drive a log truck.

In 1956 she graduated from Norman High School, where she played basketball.

She attended Arkansas College, now Lyon College in Batesville, and Henderson State University in Arkadelphia.

A Sunday school teacher, she was a member and elder of the Barr Memorial Presbyterian Church.

She also served on the Caddo Hills School Board and the Montgomery County Democratic Committee.

She married Bill Morphey of

Pike County, a former Marine who is now a welder, on March 2, 1957. After five years in Kansas City, Mo., they returned to Norman.

Morphey, who attended President Clinton's first inauguration "was fascinated with Bill Clinton," her husband said.

Once when Clinton returned to Arkansas shortly after he was elected president, he singled her out of the crowd and "came down and gave her a hug," her husband said.

After leaving office, she opened the Arkansas Made Store in the Hot Springs Mall, selling products made in the state, along with Razorbacks souvenirs and Clinton-Gore mementos. She closed the store in the mid-1990s because of health problems. As long as her health permitted, she worked part-time at a grocery store in Mountain Pine in Garland County.

Morphey also taught new county clerks at classes held in Little Rock, her husband said. He described his wife as a "very outspoken person."

Horne, who writes a column for the *Montgomery County News* and the *Glenwood Herald*, described Morphey as a "teller of tall tales" who "amused her many friends by telling them humorous stories of her life in the Ouachita Mountains."

"She had a good sense of humor," Horne said. "She was a comical person."

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Podesta

Scrub

6-30-00

Ex-NATO commander seems lined up to take Stephens Inc. position

BY SANDY DAVIS
ARKANSAS DEMOCRAT-GAZETTE

Gen. Wesley Clark, NATO's European supreme allied commander for the past three years, apparently will accept a six-month appointment with Stephens Inc., the Little Rock-based investment banking firm, sources said Wednesday.

Warren Stephens, president and chief executive officer of Stephens Inc., said Wednesday that he could not confirm Clark's apparent new relationship with the firm.

"We're going to make an announcement tomorrow concerning this," Stephens said. "But we are not yet in a position to say anything. We are trying to work out some things on behalf of General Clark."

Stephens did not elaborate on what he was referring to. He did say that he knew Clark and liked him. "I can say that Gen. Clark is a wonderful and fine man," Stephens said.

Clark apparently would be working with Vernon Weaver in Washington, D.C. Weaver is the former American ambassador to the European Union stationed in Brussels and has been a longtime Stephens Inc. employee.

Clark could not be reached Wednesday for comment at his home in Virginia.

Clark, a four-star general and a graduate of Little Rock's Hall High



Gen. Wesley Clark

School, told friends at his retirement ceremony Friday at Fort Myer, Va., that he would work with Stephens, sources said.

"He was through here a couple of weeks ago," Frank Thomas, a Stephens' spokesman, said Wednesday. "We have discussed the possibility of his affiliation with us. As I understand, he has talked with others on Wall Street and other places, but as yet there has been no final deal."

See CLARK, Page 2D

JTP

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should do
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Clark

• Continued from Page 1D
sion."

If Clark, 55, does begin working in the international investment world, it won't be any more daunting than the last three years of his life.

Until last week when he retired, he was head of the U.S. European Command and its 109,000 U.S. troops and was the supreme allied commander of the North Atlantic Treaty Organization based in Mons, Belgium.

His military career began after he graduated first in the West Point class of 1966. While holding many top-ranking posts during his career, he hit his stride during the Balkan conflicts. He was a key peace negotiator in the Bosnia accords at Dayton.

But his most recent acclaim was as NATO's war hero — the man who guided the alliance in the first war it ever waged.

Clark led NATO, a 19-nation coalition created in 1949 to defend Europe and the United States in the Cold War, through the 78-day war on Yugoslavia that began March 24, 1999, over events in the Serbian province of Kosovo.

Among those he negotiated with during the Balkan conflicts are the likes of Yugoslavian President Slobodan Milosevic, someone Clark described as "selfish, ruthless, smart, and extraordinarily manipulative, fluent in English, a skilled player and a trained warrior. He enslaves people with fear."

Clark said he was trying to get Milosevic to stop the Serbians from killing ethnic Albanians in Kosovo.

Washington officials have said that Clark's strong stand in the Balkans may have also lead to an early end to his career.

Defense Secretary William Cohen and Gen. H. Hugh Shelton, chairman of the Joint Chiefs of Staff, had arranged for Clark to leave his post a

few months early. Gen. Joseph W. Ralston, vice chairman of the Joint Chiefs of Staff, was named as Clark's replacement to both posts.

The official explanation was that bureaucracy was to blame. Ralston's term as vice chairman had ended Feb. 29, and unless he was appointed to a new post within two months, he had to retire, officials have said.

But Pentagon officials quietly acknowledge a different reason as well: that Clark argued several positions contrary to those held by top Defense Department officials.

The most important of those contrary positions was whether a limited air war against Serbia would force Serb troops from Kosovo. Clark wanted to use much more firepower, a position that, in hindsight, many consider correct. His superiors, including President Clinton and many Europeans leaders, often disagreed with that position.

As recently as January, Clark said the conflicts will not end unless Milosvic "leaves."

Clark also said in January that it was time for him to leave the military.

"I have no plans right now," he said. "I've held the highest position, and it's been an honor. It's time to get out now."

Information contained in this article was contributed by David Smith of the Arkansas Democrat-Gazette.

Eternity is now or not at all
 Waited for
 Eternity is solid as the sun:
 As present, as familiar, as immense.

A PRESIDENT and first lady were in Fayetteville Wednesday on a private visit, but their purpose was no secret: to say goodbye to Diane Blair.

Other notables gathered 'round, too, and last month the university gave her, as a distinguished member of the faculty, an honorary doctorate at graduation. But by early this month, the popular professor of political science couldn't make it to a ceremony honoring the completion of her memoir of an interview with Roy Reed, noted chronicler of various Arkansas figures, among them Orval Faubus.

While Diane Blair's publications, honors, and contacts have been numerous in a long academic career, they were not the important thing about her. Or about anybody else. Always the most impressive things said about Diane Blair have come in the quiet, still slightly awed voices of her students. We always asked any whom we ran across for their opinion of her, for that remains our test of a teacher: what she taught remember.

Invariably, her old students would change right before us. Their expressions would soften and assume a remembered glow, an assurance. It might be too much to call it an inkling of eternity, or it might not. They straightened and relaxed at the same time. Whatever their rank or age, their distinction or politics or intelligence, each would speak of what she had always given them: undivided attention and unstinting encouragement.

It was as if each had been her only student. For there was nothing brusque or mass-produced about their teacher; she was an individual, and they were individuals to her. Yes, Diane Blair knew the art and dehumanizing practice of politics—that is, power—with all its deals, money, and crass pretenses. But she knew so much more. Mainly how to be a person. You entered her class to study politics, and swiftly rose above it.

It was as if she was always aware, aware that she was moving through eternity with others, and remembering how she would be remembered. Such souls are rare. They teach the rest of us, and not just in the classroom.

made them feel, and on occasion even think. Both abilities have become rare gifts in a university teacher in these deconstructed times.

If the University of Arkansas at Fayetteville cannot claim to be an Ivy League school, one reason is that in Diane Blair it had a professor of political science who did not penalize her students for being of the wrong persuasion.

There may be many things a small university cannot do, but one thing it can do may be neglected at larger, richer, more prestigious, and more pressurized schools: to teach students to think and to feel. But to do that, a university needs exceptional, encouraging teachers. It needs Diane Blairs.

Amid all the budgets and statistics, construction and stadia, we tend to forget what a university is really about. It is about a student and a teacher. All the rest of the machinery and its friction is there to bring a Diane Blair and her students together, and leave them alone. There is a feeling when such a teacher walks into class, the feeling of a conversation resumed.

MISS DIANE was always uninfected by academic poses. The last time we saw her, she may have been a bit thinner, her eyes a little brighter, her movements a little more graceful for being a bit slower, but she was the same: instinctively reaching out for common ground, and finding it within minutes, seconds. No one who ever knew Diane Blair will forget that feeling of being almost instantly in contact with another soul. Especially if you were among those she taught.

Assuming an innocent air, we always asked students about her ("Oh, did you have Diane Blair for any classes?") for we were curious about how they'd been treated, having ourselves once been the academic equivalent of slave labor—a graduate teaching assistant. We always got the same response from her students. And we understood again how rare the Diane Blairs are. They're becoming even rarer as the computer screen replaces the human face.

Saying goodbye to Diane Divers Blair reminds us of the important things about teaching, and why they must not fade. Not that this is really goodbye. We'll all catch up with her.

EDITORIALS

Saying goodbye

To Diane Blair



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Antitrust Policy Nears Crossroads

Clinton Team Tougher Than Predecessors, but New President May Shift Path

By JAMES V. GRIMALDI
Washington Post Staff Writer

Soon after graduating from law school, Bill Clinton headed back to his home state and taught law at the University of Arkansas. One textbook he assigned was written by antitrust authority Robert Pitofsky of Georgetown University.

When Clinton won the presidency two decades later, Pitofsky was tapped to advise the transition team. His opinion, which he summarized in a subsequent law journal article, was that Clinton's recent predecessors had mounted "about as minimal an antitrust program as can be imagined."

Pitofsky suggested that under Clinton "antitrust enforcement would be more vigorous. Close questions in all areas would more often lead to government challenges. Unjustified non-enforcement at the federal level would end."

Eight years later, Clinton's team has followed that blueprint to the letter, making antitrust enforcement one of the administration's signal achievements.

Government lawyers have blocked selected high-profile mergers, such as this week's Justice Department challenge of the \$129 billion WorldCom-Sprint deal. But the administration's more dramatic and controversial turn has been its crackdown on monopolies, highlighted by its

successful Microsoft Corp. lawsuit—the litmus test of whether 110-year-old laws apply in the "new economy."

The Clinton antitrust team "has certainly brought antitrust to the forefront of public policy," said James Rill, who was antitrust chief during the Bush administration.

Now, with an election looming, the government's antitrust efforts will soon be at a new crossroads. The next administration could change the direction of antitrust enforcement and perhaps alter the course of the Microsoft case.

ANTITRUST, From E1

Pitofsky, who became Clinton's chairman of the Federal Trade Commission, and Joel I. Klein, who took over the antitrust division of the Justice Department, have aggressively targeted companies suspected of abusing market dominance at the expense of consumers, innovation and competition.

Before Clinton, oversight of monopolies was lax. From 1992, the last year of the Bush administration, to 1994, the second year of the Clinton administration and the first full year with his appointees, the number of Justice Department investigations of monopolies increased more than sevenfold.

During the 12 years of the Reagan and Bush administrations, the Justice Department filed just three lawsuits dealing with the conduct of monopolies, the fewest cases filed in any period since the Sherman Antitrust Act was passed in 1890. In eight years of the Clinton administration, 12 lawsuits cracking down on monopolistic behavior have been filed.

"The agencies have reinvented themselves as litigation machines," said George Cary, a former FTC antitrust enforcer. "They have mastered the art of litigating antitrust cases."

William Kovacic, an antitrust enforcement scholar at George Washington University, said the Clinton team was well matched. "Pitofsky was sort of the intellectual champion," Kovacic said. "Klein was the litigator."

In the past 20 years, views on many aspects of antitrust policy have grown less ideological. For example, a broad consensus has emerged on how to bust up price-fixing cartels. And enforcement officials and scholars tend to agree on guidelines developed during the Reagan administration about how to evaluate giant mergers that could result in monopolies.

The Clinton administration has approved the vast majority of mergers, but because of the enormous volume of corporate combinations, the government has chalked up the highest level of merger-enforcement activity in history, more than 100 mergers blocked in the past two years.

But a policy dispute continues to roil over whether government can be trusted to root out predatory and illegal actions by monopolies and then take the appropriate action to repair the marketplace.

Behind the administration's actions is a strong faith in the responsibility of the government to referee. "I'm more skeptical that the market will solve all problems in a reasonable period of time," Pitofsky said in an interview. "While we are waiting for the market to solve and produce new competition and entry, consumers are paying a lot of money—unjustified payments to its owners, improper monopoly rents."

But other scholars believe that

the government has become too quick to interfere. "The Clinton administration has spent too much emphasis on investigating and prosecuting winners," said Timothy Muris, a George Mason University law professor who also is a key adviser to the GOP presidential campaign of Texas Gov. George W. Bush.

Muris, who was a consultant to Intel Corp. when it was sued by the FTC, criticized the "enormous" number of federal probes opened into alleged monopolistic behavior. "Most of them did not become public," he said. "There was much too much suspicion in the Clinton administration."

The cornerstone investigation, of course, is *United States of America v. Microsoft*, the case in which the software giant was found to have illegally engaged in predatory tactics designed to protect its monopoly in operating-system software for personal computers.

The Justice Department sued Microsoft in 1998. This April, U.S. District Judge Thomas Penfield Jackson ruled that Microsoft had illegally used its monopoly to crush competitive threats and innovation, had illegally tied its Internet browser to the Windows operating system and had attempted to monopolize the market for browsers.

Jackson on June 7 ordered the company split in two to restore competition and to prevent the illegal acts from recurring. Other non-merger enforcement cases opened during the Clinton years include lawsuits against American Airlines, which was accused of using predatory practices to drive out low-cost airlines from Dallas-Fort Worth International Airport; Visa USA Inc. and MasterCard International Inc., accused in a trial that began this month of failing to compete with each other and cutting exclusive deals with banks; and Dentsply International Inc., a manufacturer of false teeth accused of making exclusive deals with 80 percent of the nation's denture distributors.

The FTC in 1998 sued chipmaker Intel Corp., accusing the California company of using its dominance in the microprocessor market to bully corporate customers into giving away patent rights. Unlike Microsoft, however, Intel was able to craft an out-of-court deal on the eve of a potentially embarrassing trial.

A raft of other antitrust questions in the high-tech era loom over the horizon. Can the airlines join forces to sell tickets over the Internet without breaking antitrust law? The Justice Department is investigating that venture. Does a joint Internet venture by the world's automakers to purchase parts amount to an illegal oligopsony—a cartel of buyers that can drive prices down through their market power? The antitrust implications of such business-to-business exchanges are the topic of a public, two-day FTC workshop beginning today.

No matter who wins the presi-

1/2

dential election, a new antitrust team is a certainty. So far, despite the hubbub surrounding the Microsoft case, neither political camp has raised it as an issue.

Vice President Gore has said little publicly about the Microsoft matter, leaving the impression that he supports the case, but has firmly endorsed the application of antitrust laws in the new economy.

On the Microsoft campus in Redmond, Wash., last fall, Gore told several hundred of the company's employees: "You're naturally going to feel put upon if a judge, looking at the antitrust laws and how they apply to a fact situation that involves your workplace, decides in the findings of fact that the law's been crossed. I'm not going to comment on it, but the values that are inherent in the antitrust laws are ones that are

sound, in my opinion."

George W. Bush has gotten more specific, saying he would "stand on the side of innovation—not litigation" and that he was "worried" about the consequences "if this company were to be broken apart—this engine of change, engine of growth . . . but we'll see what the courts say on the issue."

Compared with the Gore campaign, where there are no highly visible advisers who are as deeply entrenched in the antitrust debate, Muris, the George Mason professor, stands out.

In the Bush campaign, Muris mainly consults on economic issues outside of antitrust and has avoided taking sides in the Microsoft trial. "Microsoft is a hard case to understand the truth," Muris said, "in part because Microsoft did not try the case very well."

Muris, who is considered a likely Bush administration appointee, is prominent among Chicago School antitrust scholars, followers of a theory that emerged at the University of Chicago law school that advocates applying economic theory to antitrust deliberations rather than simply studying the behavior of firms.

By comparison, Clinton administration trustbusters are largely thought of as "post-Chicago" antitrust enforcers who embrace the Chicago School approach of applying economics to antitrust law but tend to favor more vigorous enforcement or at least places more trust in the government to reign in illegal conduct.

Klein, the Justice Department's antitrust chief, said his view of corporate behavior is based on a pragmatic analysis of the facts informed by economic analysis, rather than dogma.

"The sensible antitrust enforcement program would be to prevent that kind of abuse of monopoly power where there is no pro-consumer benefit," Klein said the day after the judge's order to split up Microsoft. "That's what separates out the theoretical discussions from what actually happened."

Rill, the Justice Department antitrust chief in the Bush administration, rejuvenated antitrust enforcement after the Reagan years but handled cases with consent decrees rather than the lawsuits favored by Pitofsky and particularly Klein. Still, he agrees with Klein's pragmatic approach: "You have to call antitrust issues as you see them at the time and the theoretical possibility that a mistake might be made, you have to live with."

It is a fear that does not inhibit the Clinton administration and has turned the government into one of the most activist antitrust enforcers in a generation. And the reinvigoration of antitrust enforcement is something Attorney General Janet Reno apparently relishes. After suing WorldCom this week, Reno introduced her antitrust chief this way: "Now I'd like you to meet again one of the busiest men in Washington, Joel Klein."

Staff researcher Richard Drezen contributed to this report.

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One last appeal, but Elian could be in Cuba by July 4

By Larry Copeland
USA TODAY

ATLANTA — With a deadline fast approaching, Miami relatives of Elian Gonzalez will appeal to the Supreme Court today in their struggle to keep the 6-year-old boy from returning home to Cuba.

The 11th U.S. Circuit Court of Appeals here, in a strongly worded

opinion Friday, refused to reconsider the relatives' request for a custody rehearing. The court said its stay requiring Juan Miguel Gonzalez to keep his son in the USA would be lifted at 4 p.m. Wednesday.

A three-judge panel of the court had ruled June 1 that the Immigration and Naturalization Service was within its rights when it denied Elian an asylum hearing. Attorney

General Janet Reno ruled in January that Elian would have no hearing because his legal representative, his father, opposed asylum.

The Miami relatives appealed the panel's ruling, requesting a rehearing before the full 12-judge court.

In Friday's five-page response, Circuit Judge J.L. Edmondson wrote that the appeals court will not

weigh the case again and will not grant any further motions for a stay — with the word "not" in large, boldface letters. Four of the nine Supreme Court justices would have to agree to hear an appeal, which would extend the stay.

If the nation's top court, which accepts less than 1% of more than 8,000 petitions filed annually, refuses to overturn the lower court's

decision, Elian could be on a jet back to Cuba by July Fourth.

Armando Gutierrez, a spokesman for the Miami relatives, vowed that they would press on. "They are confident they are doing the right thing," he said. "They will keep fighting for what his mom died for."

Elian's mother and 10 other people perished when their boat

sank as they fled communist Cuba.

The boy was rescued off Florida's coast on Thanksgiving and spent several months with his Miami relatives. Federal agents took him from the home in the Little Havana neighborhood in April. Since then, he has stayed in the Washington area with his father and other relatives while legal wrangling over his future continues.

Gas prices receding in the Midwest

Survey shows 'crisis is abating' in some areas

By Chris Woodyard
USA TODAY

CHICAGO — Record-breaking gas prices in the Midwest are receding as new supplies arrive and motorists change buying habits, a survey released Sunday shows.

"The crisis is abating," says analyst Tribby Lundberg, whose influential Lundberg Survey finds self-serve regular gasoline Chicago averaging \$2.12 a gallon. That still has motorists fuming, but the price is actually down 9 cents from a \$2.21 peak last week. In the other hardest-hit Midwestern city, Milwaukee, prices fell by 7 cents in two days to \$1.96 a gallon.

Nationally, the average is \$1.67, which is up 4 cents a gallon in the past two weeks.

Prices should ease more as lower wholesale prices, down 29% since June 7, show up at the pump, the American Petroleum Institute says.

The price retreat follows a political furor sparked by soaring prices at gas pumps in the Midwest. The Federal Trade Commission is investigating the possibility of price fixing. Indiana plans to roll back gas taxes next week, and Illinois Gov. George Ryan wants the Legislature to consider suspending the state gas tax.

The price run-up is being blamed on delivery snafus associated with the federally mandated introduction of pollution-reducing gas in the upper Midwest.

Disruptions in two pipelines, including one that carries 25% of Chicago's gas supply, led to shortages. Oil companies have had to seek gas from outside refiners. While other cities are introducing similar new blends, the formula here is different and in short supply.

"Everybody's bidding on every barrel they can get their hands on," says Ken Miller, analyst for the Houston firm of Purvin & Curtis.

As a result, "supplies are really building back into the Chicago market," says Tom Mueller, spokesman for BP Amoco, greater Chicago's largest gasoline retailer.

But motorists' reactions are also putting pressure on gas retailers. Some motorists, particularly in Milwaukee, venture outside the zones in which cleaner gas must be sold to buy cheaper conventional gas, Mueller says. Others are simply driving less.

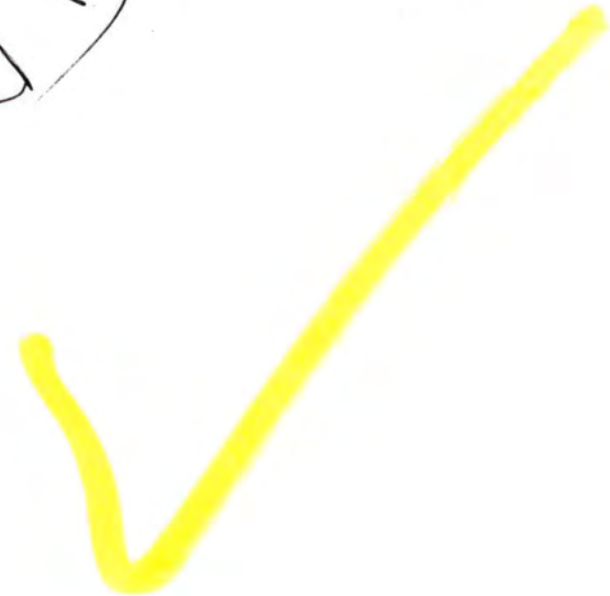
Shell station operator Thomas Chummar says sales are down 20%. A block away, Amoco dealer Sultan Noorullah is trying to maintain sales by giving free coffee and cappuccino to his best customers.

Cabdriver Imran Khan, pumping \$41 worth of gas into his Chevy Caprice, says the small reduction is not enough. He still pays \$10 to \$15 more a day than a few months ago.

*1/7
for many
days earlier
than they
could
have
been
seen
before
1/31*

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THE WHITE HOUSE

Assistant to the President and
Staff Secretary

6:30:00

JOHN/MELANNE -
ATTACHED FOR YOUR REVIEW
IS AN UPDATED MEDAL OF
FREEDOM LIST. PLEASE
FORWARD ANY ADDITIONAL
COMMENTS TO ME. WE
WOULD LIKE, IF POSSIBLE, TO
FORWARD TO THE PRESIDENT
THIS WEEKEND. THANKS —

-USEL

DRAFT

June 30, 2000

MEMORANDUM FOR THE PRESIDENT

FROM: LISEL LOY
MELANNE VERVEER
DAN BURKHARDT

SUBJECT: 2000 AWARD OF THE PRESIDENTIAL MEDAL OF FREEDOM

You have expressed interest in awarding the Medal of Freedom to five recipients in the upcoming August 9 East Room ceremony: The Reverend Gardner C. Taylor, Marian Wright Edelman, General Wesley Clark, USA, Archibald Cox, and James Edward Burke.

You also have indicated that you might like to give the Medal to Elinor Guggenheimer and David Hamburg. You awarded the Medal of Freedom to Hamburg in 1996; you gave the Citizens Medal to Guggenheimer in 1997.

We have set forth below a list of additional nominees for this year's award. In keeping with the theme of your past selections, this year's nominees embody service to others.

The group of 23 nominees is based upon extensive consultations with, among others, your senior advisers. We recommend that you select approximately five, but no more than seven, additional recipients. For Medal of Freedom ceremonies in 1993-97, you selected 10, 9, 12, 10, and 15, respectively. In 1998, you did not award any medals in a large ceremony; in 1999, you selected 10 recipients. We have attempted to group the nominees according to similarities in their achievements to help you balance and organize your selections. For ease of reference and tabulation, we have also attached a chart to help summarize your selections.

We are also in the process of preparing a list of candidates for the Citizens Medal.

Civil Rights

We have identified a number of strong candidates in the civil rights category. Melanne suggests that you may want to consider holding a separate civil rights Medal of Freedom ceremony, or you may wish to select several from this category to include in the August event.

Monsignor George G. Higgins, 84.

Once described by Lane Kirkland as “the labor movement’s parish priest,” Higgins has devoted himself for more than 50 years to ensuring worker justice, and he has been honored several times by major labor groups. He has also shaped papal encyclicals to emphasize economic justice. He currently serves as an adjunct lecturer at Catholic University. Melanne and Karen Tramontano support his nomination.

Approve____ Disapprove____ Discuss____

The Reverend Jesse Jackson, 58.

Reverend Jackson has long been a representative for the underrepresented. As field representative for the Council on Racial Equality, founder of Operation PUSH, PUSH-Excel, PUSH for Economic Justice, the National Rainbow Coalition, and The Wall Street Project, he has worked to expand opportunities for minorities while encouraging youth to act responsibly. He was a Democratic Presidential candidate in 1984 and 1988. He has negotiated several hostage releases, most recently that of the three U.S. POWs held in the former Yugoslavia. You have indicated that you might want to make this award in a later ceremony.

Approve____ Disapprove____ Discuss____

Constance Baker Motley, 78.

A key participant in virtually every important case brought to enforce *Brown v. Board of Education*, Motley began her career as an attorney with the National Association for the Advancement of Colored People and won nine out of ten civil rights cases she argued before the United States Supreme Court. One of her most renowned victories was on behalf of James Meredith, making it possible for him to enroll in the University of Mississippi. Motley left the NAACP in 1964 and was elected New York State’s first black woman senator. In 1966, President Johnson appointed her U.S. District Court Judge for the Southern District of New York, making Motley the first African American female federal judge. She became Chief Judge of the Southern District in 1982 and assumed senior status in 1986.

Approve____ Disapprove____ Discuss____

Jack Greenberg, 75.

Greenberg’s accomplishments are legendary. He served as Director-Counsel of the NAACP Legal Defense and Education Fund from 1961 to 1984 and was an assistant counsel for the group from 1949 to 1961. He argued 40 cases before the United States Supreme Court, including *Brown v. Board of Education*. He is a founding member of the Mexican American Legal Defense and Education Fund and is a member of the executive committee of Human Rights Watch. Greenberg served as dean of Columbia College from 1989 to 1993 and currently is a professor at Columbia Law School.

Approve____ Disapprove____ Discuss____

Daisy Bates (posthumous; died in November 1999).

Best known for her role as a mentor to the Little Rock Nine, Daisy Bates spent much of her life working to ensure civil rights for African Americans and improved living conditions for the disadvantaged. In 1941, with her husband L.C. Bates, she began the weekly newspaper the *Arkansas State Press*, which for 18 years highlighted police brutality and legal and political inequities affecting blacks in the state. In 1952, she was elected president of the Arkansas state conference of NAACP branches; it was in this capacity that she began taking African American children to be enrolled in all-white schools. After repeated attempts, she and the students chosen to integrate Little Rock Central High School entered that school in 1957, escorted by paratroopers. Later that year, she was arrested and convicted for failing to provide NAACP membership information to Little Rock officials; the United States Supreme Court overturned her conviction in 1960. During the 1960's, Mrs. Bates worked on anti-poverty programs as a member of the Johnson administration. In 1968, she returned to Arkansas and, as a community activist with the Mitchellville Office of Economic Opportunity Self-Help Project, helped to bring a new water system, a sewer system, and paved streets to that community.

Approve ____ Disapprove ____ Discuss ____

John Sengstacke (posthumous; died in 1997).

As publisher and editor of the *Chicago Defender* -- a newspaper his uncle founded in 1905 -- Sengstacke provided an important outlet for the African American voice for 57 years. W.E.B. DuBois and Langston Hughes were among those whose work appeared in Sengstacke's paper. Sengstacke was also instrumental in the integration of the U.S. Armed Forces -- as a member of the Fahey Commission (one of 10 Presidential appointments he received) and through his newspaper, he argued that President Truman should integrate U.S. troops. Sengstacke also persuaded President Franklin Roosevelt to include the first black reporter in a White House news conference, and he organized the meeting with Branch Rickey that led to Jackie Robinson joining major league baseball. Under his leadership, the National Newspaper Publishers Association, an organization of African American newspaper publishers, was formed in 1940. Among Sengstacke's other publications were the *Michigan Chronicle* in Detroit, the *Pittsburgh Courier* in Philadelphia, and the *Tri-State Defender* in Memphis.

Approve ____ Disapprove ____ Discuss ____

Health

Dr. Mathilde Krim, 73.

Founder of the AIDS Medical Foundation in 1983, Dr. Krim was one of the earliest leaders in the effort to find a cure for HIV/AIDS. She has had a distinguished medical career, working on topics ranging from cancer research to human genetics, and her foundation, which joined with the American Foundation for AIDS Research in 1985, has poured millions of dollars into HIV/AIDS research efforts.

Approve ____ Disapprove ____ Discuss ____

Sports

Hank Aaron, 66.

Aaron began his amazing career on the baseball field as a minor league player on a segregated team in the South, where he suffered the humiliation of eating and living separate from his teammates. He is best known for breaking Babe Ruth's home run record – ultimately hitting 755 home runs over the course of his career and reaching this awesome milestone in the face of death threats against himself and his family. After he retired from play, he joined the front office of the Atlanta Braves, a position from which he called for more African Americans in baseball management and decried racist comments by baseball club owners. Aaron has also been active in Big Brothers/Big Sisters and the Boy Scouts of America. In 1995, he established the Chasing the Dream Foundation, a fund to help underprivileged children in Atlanta pursue advanced study in music, art, writing, dance, and sports. There is some precedent for awarding the Medal to sports figures: Jesse Owens and Joe DiMaggio received the Medal from President Ford; Jackie Robinson received it from President Reagan; Ted Williams received it from President Bush; and you awarded the Medal to Arthur Ashe.

Approve____ Disapprove____ Discuss____

Muhammad Ali, 58.

Regarded by many to be the greatest boxer of all time, Ali won the world heavyweight title for the first time in 1964. In 1967, he refused induction into the U.S. Army, was found guilty of draft evasion, and was stripped of his title. In 1971, the U.S. Supreme Court overturned his conviction, and in 1974 Ali regained the world championship. He later lost the title and regained it for a record third time in 1978. In 1980, he retired from boxing. Now suffering from the advanced stages of Parkinson's disease, he serves as the spokesperson for the National Parkinson's Foundation and performs charity work for UNICEF and Best Buddies.

Approve____ Disapprove____ Discuss____

Scholars

John Kenneth Galbraith, 91.

One of the leading economists of the 20th century and the author of more than 30 books, including three novels and his memoirs, Galbraith has made dense economic concepts understandable to the average reader. He also held numerous positions during a distinguished government career. During World War II, he served in the Office of Price Administration during the early years of U.S. involvement in World War II and was greatly responsible for OPA's impressive record in controlling inflation. An advisor to Presidents Kennedy and Johnson, Galbraith also served as U.S. Ambassador to India during the Kennedy Administration, helping to redefine relations between Washington and New Delhi. He also was chairman of Americans for Democratic Action from 1967-69 and taught economics at Harvard College for nearly 30 years.

Approve____ Disapprove____ Discuss____

International Human Rights

Given the high profile and important contributions of Mandela, Suu Kyi, and Tutu, you may wish to hold a separate ceremony if you choose one or more of these 3 candidates.

Nelson Mandela, 81.

Freed after serving 27 years of a life sentence imposed for sabotage and treason, Mandela became South Africa's first democratically elected president and held the position from 1994 to 1999. In 1993, he shared the Nobel Peace Prize with F. W. de Klerk, his Vice President, for their efforts to end apartheid.

Approve____ Disapprove____ Discuss____

Aung San Suu Kyi, 54.

Co-founder of the National League for Democracy, Suu Kyi is the leader of Burma's opposition force and pro-democracy movement. In 1989, she was placed under house arrest for violating a government ban on political activity, and she was awarded the Nobel Peace Prize in 1991 for her efforts to bring democracy and human rights to Burma through peaceful means. In 1995, the junta finally released her from confinement. She refuses to travel outside Burma for fear that if she leaves, the junta will not let her back into the country. NSC recommends that Secretary Albright receive the Medal on Suu Kyi's behalf should you choose to make the award.

Approve____ Disapprove____ Discuss____

Archbishop Desmond Tutu, 68.

The first black Anglican bishop of Johannesburg and archbishop of Cape Town, Tutu has devoted his career to the pursuit of human rights. He is the former Secretary-General of the South African Council of Churches, and he chaired South Africa's Truth & Reconciliation Commission after the election of the African National Congress in 1994. Tutu has worked extensively to ease racial tensions in South Africa, emphasizing nonviolent means of protest and encouraging economic pressure by countries dealing with South Africa, and his efforts in combating apartheid earned him the 1984 Nobel Peace Prize.

Approve____ Disapprove____ Discuss____

Simon Wiesenthal, 91.

A concentration camp survivor, Wiesenthal has devoted his life to developing evidence that can be used to prosecute Nazi war criminals. After World War II, he gathered proof of Nazi atrocities for the War Crimes Section of the United States Army. In 1947, he opened the Jewish Historical Documentation Center in Austria to assemble documentation for future trials. His most famous discovery was the material that led to the capture, trial, and execution of Adolf Eichmann. A special branch of his office documents the activities of right-wing groups, neo-Nazis, and similar organizations. In 1977, he founded the Simon Wiesenthal Center, which

works to fight bigotry and anti-Semitism. President Carter presented the U.S. Congressional Gold Medal to Wiesenthal in 1980, and Wiesenthal received the French Legion of Honor in 1986.

Approve____ Disapprove____ Discuss____

Dr. Samuel Pisar, 71.

Scholar, international lawyer, public servant, and author, Pisar was rescued at age ten from a Nazi death camp. In the early 1960's, he was a member of President Kennedy's task force on foreign economic policy and an advisor to the State Department and several Senate committees. During the mid-60's, he practiced international law, and he headed an ad hoc committee of U.S. leaders to monitor ethnic and political repression in the Soviet Union and was instrumental in freeing many refuseniks and dissidents. In the 1980's, Pisar, with Steve Jobs and others, helped conceive the "computer in every classroom" proposal, and he argued during this time that national wealth lies in human intellectual potential – not only the traditional economic measures of land, capital, and labor. He stressed that there should be a universal human right to education and knowledge. From the mid-90's, he has focused on the genocides, ethnic cleansings, and crimes against humanity in Central Africa, the Balkans, and the Caucasus, and he founded and has been chairman of a committee that has located and honored approximately 18,000 non-Jews who risked their lives to save Jews during World War II.

Approve____ Disapprove____ Discuss____

Military

Admiral William Crowe, 75.

Four times the recipient of the Defense Distinguished Service Medal, Admiral Crowe has more than fifty distinguished years of government service. A gifted military leader, he served as commander of the Middle East Force in the Persian Gulf, head of Navy Plans and Policy, Commander in Chief of the United States Pacific Command, and Chairman of the Joint Chiefs of Staff. He served this Administration as Chairman of the Foreign Intelligence Advisory Board (1993-94) and as Ambassador to the Court of St. James. In 1998, Crowe was sworn in as Chairman of two Accountability Review Boards charged with investigating the bombings of the embassies in Nairobi and Dar es Salaam. Those panels concluded that close to 90 percent of U.S. embassies worldwide need renovation or rebuilding to withstand the threat of truck bombs.

Approve____ Disapprove____ Discuss____

Environment

Former Representative John F. Seiberling (D-OH), 81.

Seiberling's record of accomplishment on environmental issues is astonishing. A Member of Congress from 1970-1987, he authored legislation that established the 30,000 acre Cuyahoga Valley National Recreation Area, tripled the size of the Land and Water Conservation Fund, and prohibited mining in public parks. He also co-authored key amendments to the Surface Mining

Control and Reclamation Act of 1977 and helped manage passage of the Alaska National Interest Lands Conservation Act, which preserved more than 100 million acres in Alaska. And he is credited with saving more than 69 million acres of wilderness in 27 states and authored amendments to the Nuclear Waste Policy Act of 1982. George Frampton supports this nomination.

Approve____ Disapprove____ Discuss____

Government Service

George McGovern, 77.

A war hero in World War II, McGovern was elected to the House of Representatives in 1956. In the Senate, he chaired the Select Committee on Nutrition and Human Needs, where he led the expansion of the Food Stamp Program, the Summer Food Service Program, and WIC. He was the 1972 Democratic nominee for President and currently is the U.S. Representative to the UN Food and Agricultural Organization, where he is developing a plan to address the food needs of 500 million people -- half the world's underfed -- by 2015.

Approve____ Disapprove____ Discuss____

Senator John Chafee, (R-RI) (posthumous; died in 1999).

At the age of 19, Chafee served at Guadalcanal as a Marine lieutenant and went on to fight in the Korean War. He later served in the Rhode Island House of Representatives, as Governor of Rhode Island, as Secretary of the Navy, and as a United States Senator for 23 years. He embodied bipartisanship in the Senate and played a pivotal role in the passage of all the major environmental legislation of the past 20 years. He was one of the architects of the 1980 Superfund program to clean up hazardous waste sites and authored the Coastal Barrier Resources Act to protect pristine and fragile coastal barriers from development. Among the other bills he promoted were the Clean Water Act of 1986, the 1990 amendments to the Clean Air Act, and the Oil Pollution Act of 1990. Senator Chafee was also a champion of expanding health care for women, children, people with disabilities, and people with mental illness and a strong advocate for children in our nation's foster care system.

Approve____ Disapprove____ Discuss____

Shirley Chisholm, 75.

The first African American female member of Congress and the first female or African American candidate from a major political party to run for the Presidency, in 1964, Chisholm ran for and won a New York State Assembly seat, and for four years she was the only woman and only one of eight African Americans in that assembly. In 1984, she co-founded the National Political Congress of Black Women. You asked her to serve as Ambassador to Jamaica in 1993, but she declined the invitation, reportedly due to health reasons.

Approve____ Disapprove____ Discuss____

Senator Daniel Patrick Moynihan, 73.

Senator Moynihan has served New York in the United States Senate since 1977, establishing himself as a strong supporter of Social Security and distinguishing himself through his service on the Finance Committee. He is the only person to serve in the Cabinet or sub-Cabinet (including two ambassadorial appointments) of four successive presidential administrations (Kennedy-Ford). He will retire at the end of this Congressional session.

Approve____ Disapprove____ Discuss____

Labor

Mildred "Millie" Jeffrey, 88.

A leading women's labor and Democratic party activist, Jeffrey was the first female to direct a department of the United Auto Workers. She worked for the UAW from 1945-1976, heading four departments and serving as a special assistant to president Walter Reuther. Presidents Kennedy and Carter appointed her to commissions, and in 1984, she was part of a small women's activist group that helped secure Geraldine Ferraro's vice presidential nomination. Karen Tramontano strongly supports this nomination.

Approve____ Disapprove____ Discuss____

The Reverend Addie Wyatt, 76.

Wyatt was a major labor movement leader who pushed for equality for African Americans and women. She was the first African American woman to sit on the board of an international union, and she has held leadership roles in several labor unions and organizations at the local and national levels. She retired in 1984 and entered the ministry. Wyatt also served as an at-large member of the Democratic National Committee in 1976.

Approve____ Disapprove____ Discuss____

2000 Medal of Freedom

Nominee	Approve	Disapprove	Discuss
Monsignor George G. Higgins			
The Reverend Jesse Jackson			
Constance Baker Motley			
Jack Greenberg			
Daisy Bates			
John Sengstacke			
Dr. Mathilde Krim			
Hank Aaron			
Muhammad Ali			
John Kenneth Galbraith			
Nelson Mandela			
Simon Wiesenthal			
Aung San Suu Kyi			
Archbishop Desmond Tutu			
Dr. Samuel Pizar			
Admiral William Crowe			
John F. Seiberling			
George McGovern			
John Chafee			
Shirley Chisholm			
Senator Daniel Patrick Moynihan			
Mildred "Millie" Jeffrey			
The Reverend Addie Wyatt			



Office of the Director

United States Department of the Interior

NATIONAL PARK SERVICE

1849 C Street, N.W.

Washington, D.C. 20240

JUN 20 4 51 PM '00

cc Burkhardt

JUN 27 2000

To: Ms. Melanne Vervcer
Chief of Staff to the First Lady

From: Robert Stanton *Robert Stanton*
Director, National Park Service

Attached is my April 19, 2000 memo to the President recommending that he award the Presidential Medal of Freedom to former National Park Service Director George B. Hartzog, Jr., a hero in the fields of conservation, recreation and historic preservation. Many of the great successes of the President and First Lady in these areas rest on the foundation of accomplishments laid by Director Hartzog.

I hope that we can discuss this nomination later today. I would appreciate any advice as to how we could bolster Director Hartzog's chances for a Presidential Award. I would also greatly appreciate your support for this nomination. It would mean a lot to me and to the men and women of the National Park Service.

Lisel -

JY1

I talked to Bob. He made
a strong push for Hartzog.
I told him there were
many names & I didn't
know what would happen
when the decisions were
made.



Office of the Director

United States Department of the Interior

NATIONAL PARK SERVICE

1849 C Street, N.W.
Washington, D.C. 20240

APR 18 2000

To: The President

Through: Thurgood Marshall, Jr.
Assistant to the President and Cabinet Secretary

From: Robert G. Stanton
Director, National Park Service

I write to request that you honor former National Park Service (NPS) Director George B. Hartzog, Jr. with the Presidential Medal of Freedom or the Presidential Citizens Medal. Director Hartzog's tenure was the greatest period of expansion and innovation in the history of the NPS. He is a hero to many in the fields of conservation, recreation, and historic preservation.

Although he was not the beneficiary of an excess of formal education, George B. Hartzog, Jr. (born March 17, 1920) became the youngest ordained minister in South Carolina, and passed the bar exam on the third try without going to law school. He worked his way up from ranger in the National Park Service until he was appointed its seventh Director by Interior Secretary Stewart L. Udall in 1964. He served until 1973.

Director Hartzog was a bold and inspirational leader with an awesome capacity for sustained hard work and a gift for spotlighting key issues. He refreshed the outlook of the agency with a constant stream of new ideas and he put those ideas to work. During his term as Director, Hartzog:

Oversaw the addition of 69 units of the National Park System, as many as were added in the Service's first 60 years. New units under Director Hartzog included Redwoods National Park, North Cascades National Park, Wolf Trap Farm Park, and the Buffalo National River. Director Hartzog advocated making parks accessible to all Americans, and during his tenure the National Park System grew to include recreational areas within striking range of major urban areas, including Gateway National Recreation Area and Golden Gate National Recreation Area. Mr. President, you dramatically expanded on this legacy in 1994 by adding the Presidio to Golden Gate National Recreation Area.

Led the effort to obtain matching grants to states for historic preservation. Pursuant to passage of the National Historic Preservation Act of 1966, Director Hartzog created the National Register of Historic Places and organized the President's Advisory Council on Historic Preservation. In addition to enhancing the preservation of our cultural heritage, Director Hartzog's work was a direct precursor to the Save America's Treasures grants that you and the First Lady have championed.

Organized the National Park Foundation. Director Hartzog obtained the Congressional Charter for, and served as Secretary of, the National Park Foundation, which has since raised many millions of dollars to support the sites and programs of the NPS. In recent years, the National Park Foundation has been a key partner of the White House Millennium program.

Initiated the preservation of 80 million acres in Alaska. Director Hartzog initiated the amendment by Senator Bible (D-NV) to the 1971 Alaska Native Claims Settlement Act which reserved 80 million acres for future addition to the National Park, Forest, and Wildlife Refuge Systems. In 1980, those lands were permanently protected under the Alaska National Interest Lands and Conservation Act.

Established the Volunteers in Parks program, which was authorized by Congress in 1970. As a result of this very successful program, over 100,000 volunteers contributed their services to the betterment of the national parks last year.

Broke barriers against women and minorities. Director Hartzog developed effective recruitment and training initiatives. He appointed the first Native American, African American and female park superintendents and the first African American to head a major police force in the United States (the U.S. Park Police). In 1968, Director Hartzog made me the first African American superintendent in NPS history. I am very proud that in 1997 you saw fit to ask me to serve you as the 15th Director of the National Park Service, the first African American in that position.

Upon leaving the NPS, Hartzog continued his citizen service on boards and commissions dedicated to preserving America's special lands and places. He has been particularly active in the White House Historical Association, serving as its Director (1973-1998) and President (1995-1998). He served as Director and Treasurer of the White House Endowment Fund, which in 1997 reached its goal of raising \$25 million to support the Public Rooms of the White House and its art collections. As President of the Association and Chairman of its Executive Committee, Hartzog led the initiative suggested by the First Lady in 1996 to accommodate gifts earmarked for the acquisition of objects for the White House collection.

I have provided your staff with additional information on the awards and honors that George Hartzog has received, including the Distinguished Service Award, the Department of the Interior's highest honor (presented December 1962). I have also provided to your staff letters of support for a Presidential Award for Director Hartzog, including letters from former First Lady Johnson and the great conservationist Laurance S. Rockefeller.

As you know, I have spent my entire 36-year career with the National Park Service. I believe that during your administration we have made great progress in preserving our natural and cultural treasures and making our heritage relevant to all Americans. However, there is not a single major programmatic area under the National Park Service in which we do not build upon the foundation of accomplishment laid by George Hartzog. Although few know his name, all Americans owe him a debt of gratitude. I hope that you will see fit to honor him with a Presidential Award.

White House Staff Secretary

Chron Files

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Enclosures filed in
Oversize Attachments # 21406

December 12, 1999 through December 31, 1999

NARA 18590

January 1, 2000 through January 17, 2000

Box 2

Enclosures filed in
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June 13, 2000 through June 15, 2000

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July 29, 2000 through August 9, 2000

August 13, 2000 through August 18, 2000

November 7, 2000 through November 28, 2000

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August 20, 2000 through September 30, 2000 NARA 18593

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Staff Daily Briefing Books Oversize Attachments # 21410 NARA 18594

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March 13, 2000 through March 18, 2000

January 18, 2000 through January 30, 2000

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 Oversize Attachments # 21413
Daily Schedules of the President from NARA 18597

February 1998 through October 1998

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January 31, 2000 through March 3, 2000 NARA 18598

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July 2, 2000 through July 28, 2000

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NARA 18600

June 16, 2000 through June 30, 2000

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November 29, 2000 through December 11, 2000

NARA 18601