

7-6-00

Richard Cohen

You're Being Watched

Every so often when I sign off from AOL, I am essentially told, "Not so fast, Buddy." AOL then takes over my computer, telling me, "The files you need are now being downloaded and installed," and only when this process is complete does AOL return my computer to me. It swears it never extracts any info or peeks at my hard drive.

Oh, sure, I am tempted to say. But Steve Case, who runs AOL and much of the known world (Time Warner, etc.), seems like a nice guy and so, for my own peace of mind, I choose to take him at his word. Others do have access to my computer, however, and to my e-mails and my writings, both public and private. I know little about computer technology, but I do know this: I'm being watched.

For instance, there's a program called "eBlaster," which can be installed in a computer and, at certain intervals, will e-mail to someone everything that crosses the screen. The program is designed so that it cannot be detected, and although it is supposed to be installed by hand—say, by a parent who wants to check

up on a child—an expert could also install it by e-mail.

I joke to my friends that I never get undressed in front of my computer, but the subject of this column—our loss of privacy—is no joke at all. We all know by now that some police agency could seize our computer and read the hard drive—even stuff we thought we had deleted.

This is what Ken Starr did to Monica Lewinsky, a star-struck young woman who, I remind you all, never committed a crime. Nevertheless, Starr rummaged through her hard drive, extracting letters she had written to Bill Clinton—but had never sent. In effect, these were musings, thoughts, the uncensored contents of her head. No matter. Starr not only read them, he included them in his report to Congress.

We live in a digital Stasi state. The Stasi were the ubiquitous East German secret police. This comparison may seem preposterous, but consider this: There's a good chance your employer monitors your computer traffic. There's a good chance marketers are building a

dossier of everywhere you go on the Web. Like Santa Claus, they know when you've been sleeping, they know when you're awake. They also know what kind of car you drive and the worth of your house.

In his new book, "The Unwanted Gaze: The Destruction of Privacy in America," Jeffrey Rosen points out that the confluence of sexual harassment laws and computer science has deprived us of the sort of privacy we once took for granted. He cites Lewinsky.

Because Paula Jones filed a sexual harassment suit against Bill Clinton, the president was ordered to name all his recent sexual partners. The string was even extended to a Lewinsky friend, Catherine Allday Davis, whose own e-mails fell into Starr's hands and were subsequently included in the report to Congress.

Every time you call an 800 number from home, computer systems get the number and can feed it into a database. Every time you start a new job, your employer must file a report with the government. Every time you visit a Web site, a "cookie" and other bits of computer

code can be placed on your hard drive, enabling marketers and others to track your moves.

I got much of this information from the reporting of Robert O'Harrow Jr., who covers privacy for The Post. After reading his stories as well as Rosen's book, I was left feeling, well, watched. As I am writing this someone could be monitoring my screen, reading stuff that I will later erase or maybe snooping around my hard drive.

Back to AOL. I don't trust it one bit. It's not a charity; it's a business and some day it may sell what it knows. I don't trust the government either. It always has a good reason to pry—to get deadbeat dads, to catch child pornographers—but zealots have a way of creatively applying good laws for a bad purpose. Just ask Ken Starr.

As for my employer, The Washington Post, I can't afford to trust it either anymore. Nothing personal, but the contents of my always-alert and never-forgetting hard drive gave me the willies. Those are my thoughts. But it's their computer.

7-6-00
VP/Steve
Townsend of
this would be solved
by our privacy legislation
I think VP should
mean a bigger effort
of ~~turning~~ privacy.

PA

copied
Podesta
Ricchetti

JAMES R. NICHOLS, JR.
ATTORNEY AT LAW
EL DORADO BUILDING, SUITE L
1900 STATE STREET
SANTA BARBARA, CALIFORNIA 93101
TELEPHONE (805) 569-3931
FACSIMILE (805) 682-6772

716100

Send to Counsel

Yes ☒

No ☐

VIA FEDERAL EXPRESS

July 3, 2000

Betty Currie
Appointment Secretary
The White House
Washington D.C.

cul

Re: Petition for Commutation of Sentence of Huseyin Yildirim

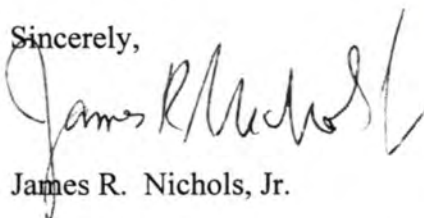
Dear Ms. Currie:

Enclosed please find my original letter to President Clinton concerning the above-referenced matter. I would greatly appreciate it if you would forward the enclosed the letter to the President at your earliest opportunity. I believe it is self explanatory.

I hereby also request a brief appointment with President Clinton some time before he leaves office. I am prepared to come to Washington at his convenience to discuss this matter. I have exhausted every other available opportunity avenue within our government and its laws to seek justice for my clients cause, but as the President's Pardon Attorney informed me in my meeting with him in September 1998, the only person who can really do anything to help my client is President Clinton. On the other hand, if President Clinton is understandably too busy to meet with someone as unimportant as myself, I am also prepared to come to Washington to meet with whomever the President delegates the task of helping him determine whether or not to grant my client's pending petition for clemency.

If you have any questions or comments regarding the foregoing, please do not hesitate to contact me.

Sincerely,



James R. Nichols, Jr.

Cc: Meredith E. Cabe, Associate Counsel to the President
Huseyin Yildirim

July 3, 2000

President Clinton
The White House
1600 Pennsylvania Ave NW
Washington, D.C. 20500

Re: Petition for Commutation of Sentence of Huseyin Yildirim

Dear President Clinton:

In your televised news conference last week, I heard you say that the most important attribute a president of this country can have is a sense of curiosity. I agree. In fact, I think that a sense of curiosity is in part essential to achieving true intellectual, emotional and spiritual fulfillment in life for any person. But I would respectfully suggest (and I would suspect you would agree) that another important ingredient in any presidential makeup should be a desire to see that injustice, where it can be avoided or cured, does not occur on his watch.

I am just a 49-year-old, small town lawyer whose practice is devoted mainly to business and real estate matters. I have a wife (Consuelo, a primary school tutor), a son (Pablo, who just graduated from U.C.S.B.), and two daughters (Cassie, a junior at Princeton, and Miranda, a freshman Santa Barbara High School). I have no significant political connections or celebrity friends. In short, I am an unimportant person whose life has largely been devoted to his family and his modest law practice. However, what I do believe I share with you is a strong sense of curiosity and, I hope, a desire to do justice whenever afforded that opportunity.

I suppose it was my curious nature and devotion to justice which has led me to spend a substantial part of my law practice over the last 20 years on pro bono and charitable matters. Although I have been recognized for my pro bono work by my local and state bar associations, the inherent rewards from helping those who truly need the assistance of an attorney in connection with matters that involve vindication of important rights and do not otherwise result in the acquisition of money or property, and who cannot afford to hire an attorney, have proven to be far more satisfying to me over the years. In any event, when I was asked about five years ago by Professor Bob Michealson (who founded U.C.S.B.'s Religious Studies Department and who is now retired) to try to help an inmate whom he was counseling at the U.S. Penitentiary in Lompoc and who seemed

to be caught up in an almost Kafkaesque situation, I agreed to do so. That inmate's name is Huseyin Yildirim.

I will be the first to admit that I was somewhat reluctant even to see Huseyin, if only because he is a Turkish citizen (I was brought up by some of my mother's Greek-American relatives to hate all Turks), and a convicted spy who worked for the foreign intelligence service of the former communist East German government. However, because I have great respect for Dr. Michealson, and I was curious about Huseyin's case, I agreed to see him and to review the facts and circumstances surrounding his conviction and sentence. My subsequent efforts on Huseyin's behalf resulted in my filing a Petition for Commutation of Sentence ("Petition") with your Pardon Attorney in September 1996, and in my writing and submitting voluminous letters and other documents on his behalf.

Suffice it to say, I have come to believe very sincerely and strongly that although Huseyin was clearly guilty of having committed espionage on behalf of the former East German government against the United States while he lived in West Berlin during the Cold War and therefore deserved to be punished for said crime, his life without possibility of parole sentence meted out to him in 1989 is no longer a just or humane one. I will not bore you here again with the details of my factual and legal arguments on behalf of his Petition, since they have been previously presented to you and your Pardon Attorney.

I have been informed recently by retired U.S. Army Col. Stuart Herrington¹ that I have been on a "fool's errand" these last five years in seeking a commutation of Huseyin's sentence. I frankly no longer care what Col. Herrington thinks about my efforts on Huseyin's behalf. Nor do I think that you as President should care what Col. Herrington and perhaps others of his political persuasion think about Huseyin's case or about you personally or politically. What I do care about is whether you have enough curiosity about Huseyin's case to take the time to give it the fair consideration it deserves before you leave office.

I have spent well in excess of a thousand unpaid hours over the last five years on Huseyin's case, including traveling to Germany to take statements from his former employers in the East German intelligence service (HVA), traveling to Savannah, Georgia in an unsuccessful attempt to enlist the support of the U.S. Attorney and federal judge who, respectively, prosecuted and sentenced Huseyin in 1989, and traveling to Washington D.C. to meet with the Pardon Attorney, who informed me that I was wasting my time in talking to him instead of you. Despite all of my efforts these last five years, I fear that you either will not act on Huseyin's Petition before you leave office, or if you do

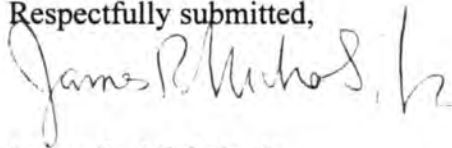
¹ Col. Herrington was the officer in command of the Army's counterintelligence operations in Berlin when most of the espionage activities that Huseyin successfully engaged in occurred. He is also the author of the recently published book, Traitors Among Us: Inside the Spycatcher's World (Presidio Press 1999), which deals in part with Huseyin's case. It is obvious from reading this book, and in my conversations with Col. Herrington, that he still understandably bears considerable animus towards Huseyin, in that Huseyin's case caused Col. Herrington much personal embarrassment and may have damaged his military career irreparably.

act, you will summarily deny it based on an unchallenged recommendation from someone in the Pardon Attorney's office and/or Justice Department. That is why I am writing this letter to you in one last attempt to seek a hearing with you or someone else in the White House or Justice Department who will in fact play a meaningful role in the determination of Huseyin's Petition.

In view of the foregoing, I hereby request a reasonable opportunity to be heard briefly in this matter. I believe I can make a compelling case not only why commuting Huseyin's sentence is the most just and humanitarian course of action for this country to take at this time, but also why it is politically expedient, or at least politically feasible, to do so. If Huseyin's petition is not acted upon before you leave office, or if it is summarily denied before then, there is little chance that this 72-year-old, harmless relic of the Cold War will ever see his family in Germany and Turkey again as a free man. In other words, if you do not act to commute his sentence before you leave office, Huseyin will most certainly die in a U.S prison while the true legal and moral culprits in his case either will be freed one day or go unprosecuted. Needless to say, such an injustice clearly should not go uncorrected in this great country of ours, especially given its tradition of fair play and humanitarianism.

I pray that you will see it within your heart to forgive my client for his foolishness, bad judgement and Cold War-related crimes against this country. Meanwhile, I pray also that you will at a minimum give my client's cause a fair and adequate opportunity to be heard.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "James R. Nichols, Jr.", with a stylized flourish at the end.

James R. Nichols, Jr.

Cc: Pardon Attorney
Huseyin Yildirim



Rosa & Raymond Parks Institute for Self Development
65 Cadillac Square Suite 2200 Detroit, MI 48226 (313) 965-0606 Fax (313) 894-3566

June 25, 2000

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

Dear President Clinton:

'00 JUL 6 AM 8:35

I hope you and your family are well. We continue to pray for you.

I am adding my name to the list of Judge Damon J. Keith admirers and people of good will who would like to see him receive the Presidential Medal of Freedom. His legal decisions have moved us closer to equality. In his civic and community life, his collection of African American Legal History, the first of its kind, is outstanding. Judge Keith's appointed chairmanships for celebration, reflection and review of the Bicentennial of the Constitution of the United States by Chief Justices Burger, Rehnquist and later President Bush, documents his devotion and commitment to this country.

It was nice to be with you at the Thurgood Marshall Federal Judicial Center in February, 1999, when the *Marching Toward Justice* exhibit opened in Washington D.C. I thought you might like a picture of us together at the event, so I have enclosed one. Since that time, the exhibit, which you like so well, has traveled to federal courthouses in New York, Philadelphia and Newark. It is now at the Howard Metzenbaum Courthouse in Cleveland, and will soon appear in federal courthouses in Los Angeles and San Francisco.

Finally, I should note that Judge Damon Keith is a respected role model for our youth. A Detroit Public School is named in his honor, and he continues to advise and support Rosa and Raymond Parks Institute for Self Development, which I co-founded with Elaine Eason Steele, in honor of my husband.

Again, I strongly encourage Judge Keith's selection as a Presidential Medal of Freedom recipient.

Please give my best to the family.

With warm regards,

Rosa Parks

Rosa Parks

Send - c to Burkhardt

Yes ☒

No ☐

BC sip

original to hoy-

Betty

I know you must get
tired of these letters.

What can I do except
send ~~to~~ you to give
to the President

Taks

D



'00 JUL 6 AM 8:36

resident,

name is Cyndy Meared and
ayetteville Arkansas. I am
your cousin Tom's wife
& him if he could help me get
4 far. He said he would
all

716100

I was wa
America last week u
to the women about
the compassion and
for the women who he
dream, related men
frustration & passion
passed on some great

send to Burkhardt?

Yes ☒No ☐

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yes
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us

9 who Agency
for the Liaison?
for pa

two days - Long 12 1/2 + Denver
schools in Jay. I fear
se of who might be angry
m and decide to resolve it
with some kind of dream. After the Prairie
Stone incident last Thurs., I get even more
fearful for the safety of my babies or the
lack there of it. As I watched GMA last week,
it seemed you were all aiming for the same
goal we all are - safety with firearms and the
availability for our children to get them. I
thought of a solution. It won't happen overnight
but it's "do-able" and could work over a number
of years. My solution is this:

00 JUL 6 AMB:36

Dear Mr. President,

My name is Cyndy Mearl and I live in Fayetteville Arkansas. I am friends with your son-in-law Tommy's wife Eva and asked him if he could help me get this to you by fax. He said he would do that for me.

I was watching Good Morning America last week when you were talking to the women about gun control. I saw the compassion and sincerity in your eyes for the women who have lost a child do to firearm-related incidences. I also saw your frustration & passion for wanting to get laws passed on some gun control issues.

I have two boys - Tony 12 1/2 & Devin 9 who attend public schools in Fay. I fear for their lives because of who might be angry or jealous with them and decide to resolve it with some kind of firearm. After the Prairie Grove incident last Thurs., I get even more fearful for the safety of my babies or the lack there of it. As I watched EMA last week, it seemed you were all aiming for the same goal all are - safety with firearms and the availability for our children not to get them. I thought a resolution. It won't happen overnight but it's "do-able" and could work over a number

In all of our Computer technologies, we could create a computer chip so small, it would mount in the handle of any firearm. This chip would be programmed so only the person issued and registered to the gun would be able to fire it. The chip would read the persons thumb print or something like that so that it would know who was holding it and wouldn't fire if the license was not the one handling it. This would be the easiest, most inexpensive, sure proof way of solving all problems without taking sides of pro or con NRA. It is also more accurate.

There is a "Pros" + "Cons" list I came up with. I'm sure I couldn't possibly know all the ins + outs of this issue, but I tried to come up with what I could.

Pros

1. Only the licensed person for that firearm could use it.
2. No child could "borrow it" and use it. Even if it were loaded.
3. No firearm could be stolen + used to commit a crime.
4. If a crime was committed and you found the gun - you would know who the guilty party was.
5. Anyone who wanted a firearm could own as many as they wanted.

be supportive

7. There would be no locks to worry about.
8. Less crime, less overcrowding of jails due to less inmates, and less money out of state pockets and tax dollars.
9. Money saved from chips would mean more money spent on other areas.

Cons

1. Every person would need to be licensed first.
2. Already too many firearms out there. It would have to be law that everyone would have to take their firearms in to have their chip installed. If they refuse - a huge fine would be good incentive. Perhaps 1000⁰⁰ for each firearm not brought in or even offer 100⁰⁰ incentives per firearm they do bring in. Maybe offer both - a fine or reward. People need incentives - both neg + pos.
3. Expense - This would have to fall back on the government. I know people would not want to volunteer to pay for this. I don't know how we would fund this except maybe the money would come from the surplus the chip would generate.

The Computerized Chip would reduce crime significantly in the areas of:

1. Violence

2. murders
3. accidental shootings
4. suicides

The Chip would cut down the
Cost of:

1. Lawyers fees
2. State + federal tax for jail inmates + jails
3. Investigations into murder cases
4. on campus police officers
5. Psychiatric help for children who lost
classmates

The Chip would then generate revenue
for state + federal funds to be used for:

1. The Computer Chip expense
2. Health care
3. Education
4. Cancer research
5. Other important issues

Thank-you for taking the time to read
this. I hope maybe there will never be
another school shooting or murder on our great
nation but I know that is not realistic so
I hope I have given you something to think
about to help solve this problem that is only

are doing to help end this horrible, scary
problem we have in our nation. Again -
Thank-you for what you've already done
and what you will do.

Respectfully Yours

Cyndy Mearns
501-443-7817

P.S. We attend the same church as the
Cornwalls. Lisa + Tracy used to babysit
our children when they were little.
Small world!

WASHINGTON SPORTS
& ENTERTAINMENT

ABE POLLIN
Chairman of the Board and
Chief Executive Officer

March 16, 2000

Ms. Betty Currie
The White House
Washington, D.C. 20500

Dear Betty,

Enclosed is a letter asking the President for a brief appearance and sponsorship at an event supporting a Democratic candidate for the House of Representatives from Maryland - I am the chair of that campaign.

I would be very grateful if you can expedite this request so we can set a date and place as soon as possible.

Sincerely,

Abe Pollin

Jeff's
Betty
This has been
checked
for
July
29th

7-6-00

'00 JUL 6 AM 8:35

Send to Scheduling

Yes ☒

No ☐

cc: Mignon Moore?

Yes ☒

No ☐ and

Steph -
Have you
seen?



WASHINGTON SPORTS
& ENTERTAINMENT

ABE POLLIN
Chairman of the Board and
Chief Executive Officer

March 16, 2000

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

Dear Mr. President:

It is time to take the House of Representatives back!

My very good friend Terry Lierman is running for Congress in Maryland's Eighth District and I am the chair of his campaign. Last week, he won the primary with over 61% of the vote – in a five –way race – the largest margin of victory in a Democratic primary here in 14 years.

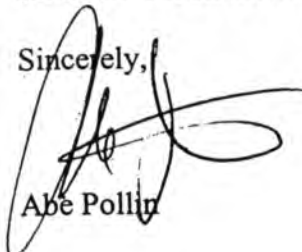
Terry received early endorsements from all the leading Democrats in Maryland – and from an array of national political leaders including Ted Kennedy, Tom Harkin and Jim Moran. We are all working very hard to get Terry elected, to give Maryland a Democratic majority in its Congressional delegation, and to return control of Congress to the Democrats.

Your leadership and hard work has helped Democrats regain seats in each of the last two elections, and has helped the DCCC have its most successful cycle ever. With this in mind, I would ask you, at a time of your choice in June or July to join me as a host at an event in honor of "Congressman Lierman".

I will organize the event around your schedule. Congressman Gephardt and Kennedy have agreed to join us, as have members of the Maryland Congressional delegation.

Terry Lierman and his campaign for Congress are very important to me. I hope you will agree to show your support for Lierman for Congress at an event this summer. I look forward to hearing from you.

Sincerely,


Abe Pollin



WASH

Pls try to help her -
Her dad is an old friend
Doc

7-6-00

AS SEEN

3850 Tunlaw Road, N.W., Apt. 113
Washington, D.C. 20007
(202) 298-9090
May 25, 2000

copied
Nash
Padesta

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

Dear Mr. President:

David Leopoulos recommended that I write this letter to you, and he said that he would be glad to forward the letter to you by fax.

I graduated from American University on May 14th with a bachelor's degree in international studies. My minor is German. I interned with the State Department during this school year, and I have also studied at the Freie Universitaet of Berlin. I plan to take the foreign service exam in the fall.

Mr. Leopoulos thought you might be able to help me in obtaining employment within the government in the Washington area. I would appreciate any assistance you could give me.

I have enclosed a copy of my resume, and I would be glad to talk with anyone who might be interested in employing me. I have included my Washington telephone number and address at the top of this letter.

My parents, David and Frances Dunham, send their best wishes to you and your family.

Thank you in advance for your assistance.

Yours sincerely,

Jennifer Dunham
Jennifer Dunham

Enclosure

Nancy (1) ^{see memo}
 Thanks for passing along this ⁽²⁾ ~~memo~~ ^{see}
 letter on a subject that I
 mentioned to the President last
 week in New York City.

NEW YORK

MARK GREEN
 Public Advocate

Mark

...a pleasure to see you last week at VI
 to you, I wanted to convey my support for reclassif

On March 1, 1994, Mr. Halberstam, a 16-y
 other students returning from a prayer vigil for the
 Brooklyn Bridge, their van was approached by an
 arsenal of weapons, fired over 40 rounds of ammu
 along with three other students. A few days later t

The incident attracted national and interna
 hand-wrote a condoience note to the family which
 family and the Jewish community were very grate

Mrs. Devorah Halberstam, the mother of
 to correct the FBI's classification of this horrific
 "terrorism." While the FBI is currently conducti...
 defendant, who was tried and convicted in a New York State court, has not been charged with any
 federal crime, such as conspiracy, federal civil rights or bias/hate crime.

I am writing to respectfully request a meeting with you and Mrs. Halberstam. We could
 provide you an opportunity to hear first hand the reasons for and importance of encouraging the
 FBI to reclassify this crime as an act of terrorism.

Every day on my way into work at the Municipal Building I pass a sign on the Brooklyn
 Bridge that reads "Ari Halberstam Memorial Ramp." That sign not only reinforces my memory of
 that awful day in March 1994 but also impels me to see that justice be served for the sake of all
 Americans.

Best regards,

Mark
 Mark Green

cc: John Podesta

... As I mentioned

7/6/00

Send to Burkhardt
 Coordinator/Scheduling
 + counsel
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he

cing

ie



00 JUL 6 PM 3:39

PUBLIC ADVOCATE FOR THE CITY OF NEW YORK

June 28, 2000

MARK GREEN

Public Advocate

The Honorable William Jefferson Clinton
The White House
1600 Pennsylvania Avenue
Washington, DC 20500

Dear Mr. President:

It was a pleasure to see you last week at VH1's "Save the Music" program. As I mentioned to you, I wanted to convey my support for reclassifying the fatal shooting of Ari Halberstam.

On March 1, 1994, Mr. Halberstam, a 16-year-old yeshiva student, was in a van with 14 other students returning from a prayer vigil for the Lubavitcher Rebbe. While traveling on the Brooklyn Bridge, their van was approached by another car and Rashid Baz, armed with a small arsenal of weapons, fired over 40 rounds of ammunition. Tragically, Mr. Halberstam was hit, along with three other students. A few days later he died.

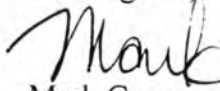
The incident attracted national and international attention. And as you may recall, you hand-wrote a condolence note to the family which I gave them as they sat shiva for their son. The family and the Jewish community were very grateful for your thoughtfulness.

Mrs. Devorah Halberstam, the mother of the slain boy, has been in the forefront of seeking to correct the FBI's classification of this horrific crime from mere "road rage" to an act of "terrorism." While the FBI is currently conducting a review of the Halberstam case, to date the defendant, who was tried and convicted in a New York State court, has not been charged with any federal crime, such as conspiracy, federal civil rights or bias/hate crime.

I am writing to respectfully request a meeting with you and Mrs. Halberstam. We could provide you an opportunity to hear first hand the reasons for and importance of encouraging the FBI to reclassify this crime as an act of terrorism.

Every day on my way into work at the Municipal Building I pass a sign on the Brooklyn Bridge that reads "Ari Halberstam Memorial Ramp." That sign not only reinforces my memory of that awful day in March 1994 but also impels me to see that justice be served for the sake of all Americans.

Best regards,


Mark Green

cc: John Podesta



Bill Clinton's Frothy Fourth

5,000 VIPs on the John F. Kennedy Get Independence Day Underway

By ROXANNE ROBERTS
Washington Post Staff Writer

ABOARD THE USS JOHN F. KENNEDY, July 4

As she reached the flight deck of this massive aircraft carrier, Washington jewelry designer Ann Hand looked around and gave a little squeal. "How cool is this?"

Way cool. Red, white and blue cool. The party hosted by Secretary of Defense William Cohen today surely was the most spectacular celebration of Independence Day 2000. As his wife, Janet, proclaimed: "It's flag-waving time!"

The place: New York Harbor, in sight of the Statue of Liberty, on the deck of the JFK. The guests: President Clinton, the

first lady, Caroline Kennedy Schlossberg, Miss America and 5,000 other VIPs.

The sights: a landmark parade of 26 majestic tall ships and two dozen warships from 14 countries in what was only the sixth International Naval Review in history.

Lump-in-the-throat factor: 20 new Americans took the oath of citizenship from Attorney General Janet Reno. Top it off with the largest fireworks display ever, and we're talking about a once-in-a-lifetime invitation.

"This is one of those great days," said Republican fundraiser Georgette Mosbacher. "It's the millennium, we're in the greatest

millennium, we're in the greatest city in the world, and we're guests of the secretary of defense for a historic celebration. It doesn't get better than this!"

To underscore the importance of the day and the role of America's military, the president, Hillary and Chelsea Clinton, Reno, U.N. Ambassador Richard Holbrooke and Transportation Secretary Rodney Slater were all present.

They were joined by an eclectic group of 200 friends invited by the Cohens: astronaut and former senator John Glenn, New Age spiritual author Deepak Chopra, CBS News President Andrew Heyward, BET founder Bob Johnson, sexpert "Dr. Ruth" Westheimer, comedian Al Franken, Vice Adm. Gregory "Grog" Johnson, attorney Ed Weidenfeld, former senator Gary Hart, attorney F. Lee Bailey, ABC's Sam Donaldson, author E.L. Doctorow and Saudia Arabian Ambassador Prince Bandar. The more, the merrier.

"As far as I'm concerned, there cannot be too much celebration on the Fourth of July," said the 78-year-old Glenn. "Too many people these days take for granted our freedom, democracy and liberty."

Which was precisely the point. Secretary Cohen planned the celebration as yet another way to show off the military to civilians—or "community leaders," as the Pentagon likes to say. Fact is, many of the nation's CEOs have no military experience, and Cohen wants them to understand and appreciate the troops, and the mission of the Defense Department.

One way to reach out to these opinion leaders is to throw a can't-miss party. So Cohen's Washington guests gathered Monday afternoon at Andrews Air Force Base to board the secretary's Boeing 757—and yes, every seat feels like first class. The Cohens arrived minutes before takeoff with Lucky, their adorable Maltese dog. He was so cute, no one minded him being there: Lucky sported a little flag kerchief around his neck and let out happy barks of greeting to everyone.

"We invited the people we love," said Janet Cohen, looking radiant in a red and white suit. "I want everyone to have a great time. And I want everyone to reflect on how blessed we are to live in this country."

Of course, some are more blessed than others. This was no backyard barbecue. The secretary's guests had to spring for air fare and for two nights at New York's \$425-a-night St. Regis Hotel (luggage had been delivered to their rooms—complete with white fluffy bathrobes and butler buttons).

Even the blessed, however, were in a bit of a tizzy Monday night about what to wear on an aircraft carrier the next morning. The official instructions advised slacks and closed-toe flats for women (no skirts—ladders and wind gusts, you know), while the men debated whether to wear jackets without ties. Most everyone ended up with some version of red, white or blue: Hand sported a cute white T-shirt with a flag with rhinestone stars—but she's from Texas originally, so it worked. And the normally fiercely tailored Washington architect Leo Daly sported—no kidding—a rust-

colored windbreaker. "Some people think I sleep in a tie," he laughed.

Who had time to sleep? Today's party began at the ungodly hour of 5:45 a.m., where the groggy crowd was bused and ferried to the carrier for breakfast. The ship, which looks to the untrained eye like a huge gray warehouse, was crowded with buffet tables and a display of military hardware. So one could nibble on French toast while viewing "non-lethal" munitions, light armored ve-

hicles and AN/TWQ-1 Avengers (a really big missile).

"These are boy toys," said a delighted Johnson. "They have land mines, too. I thought those were politically incorrect."

Not our land mines, Bob.

Everything, it seemed, took on a patriotic quality. The sailors in their dress whites looked heartbreakingly wholesome. The crowd on the carrier swelled to 5,000 somebodies and friends of somebodies, waving

cameras and flags. It was the biggest collection of dignitaries ever gathered on the ship, said Capt. Michael Miller. People choked up during the national anthem. There was a 21-gun salute. There were thrilling flybys: F-18 Hornets, F-14 Tomcats and a Stealth bomber. Even the clouds, which threatened to unleash rain all day, opened enough to let the sun shine on the party.

And then—cynics can stop reading here—the president swore in a group of reenlisting sailors and some recruits, and handed certificates to 20 brand-new citizens, including Navy Seaman Rosa Norales-Nunez from Honduras, who has served on the JFK for six months. It was Norales-Nunez who introduced Clinton.

"The best part was seeing that young sailor getting sworn in as a new citizen, and then introducing the president," said an obviously moved Cohen. "This is America."

Given all that, it was hard to find fault with anything. Well... okay, maybe the VIPs couldn't actually see the tall ships passing by because of the guests' placement—and the standing-room-only crowds—on the carrier. If they stood on their chairs, they could spot the masts.

"It probably wasn't the best way to view them," conceded CBS's Heyward. "But, ironically, that's often the case with 'the place to be.'"

Isn't it, though?

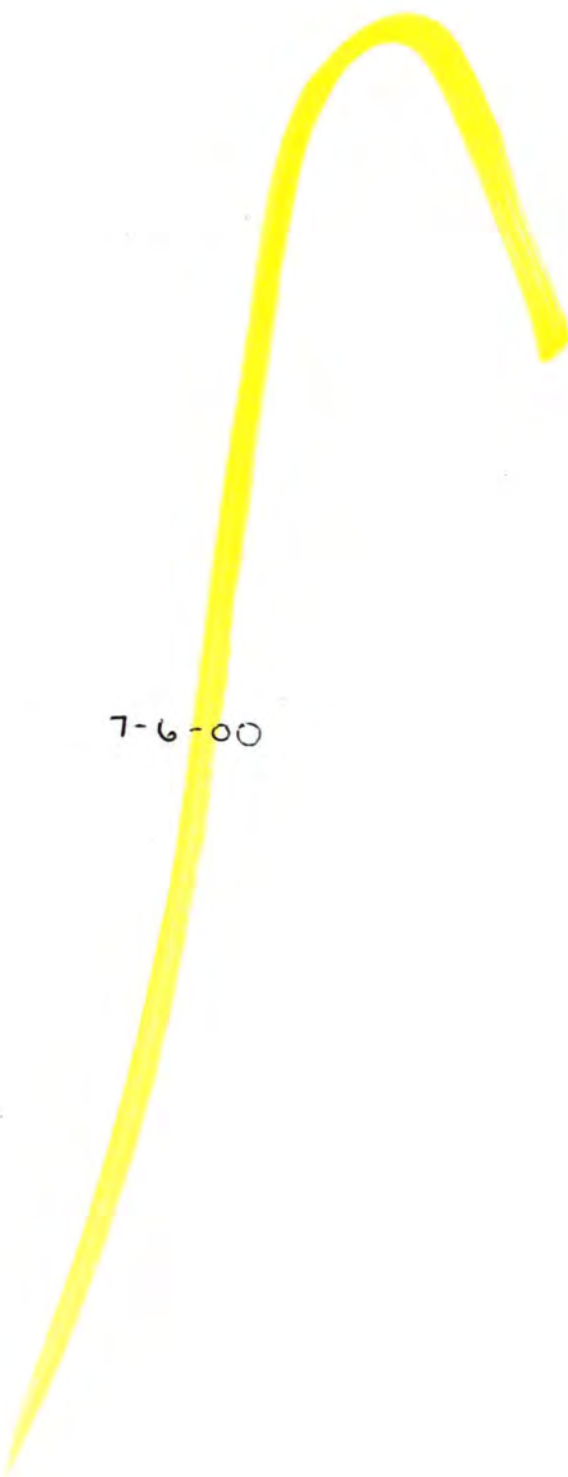
The Cohens made up for it when guests returned to the carrier for an intimate dinner for 200 and the perfect view of the 45-minute fireworks display. The dinner was set on the flight deck on a gorgeous summer night, facing the Statue of Liberty and the Manhattan skyline. An ideal setting to celebrate a special occasion.

"It's Jan's birthday," said Sam Donaldson, referring to his wife, Jan Smith.

"I think it's the grandest birthday party I've ever been at," she said.

"It sure beats barbecuing in the back yard and running around with sparklers," said Dick Carlson, former ambassador to the Seychelles.

Not that there's anything wrong with that. But is this a great country or what?



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THE PRESIDENT HAS SEEN

7-6-00

THE WHITE HOUSE
WASHINGTON

June 21, 2000

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to discuss*

BC

MEMORANDUM FOR THE PRESIDENT

FROM: LAWRENCE H. SUMMERS
GENE SPERLING

SUBJECT: Estate Tax Issues and Options

This memorandum briefly describes the current legislative status of estate tax repeal and discusses the three options you asked us to examine for reforming the estate tax: raise the exempt amount, lower marginal tax rates, or enact carryover basis and repeal the estate tax. This memo emphasizes factual information about alternative estate tax relief proposals; your economic advisers believe it is important to have a strategic discussion about how we would make a proposal or an offer on the estate tax.

Legislative Background

The House recently approved the Death Tax Elimination Act (H.R. 8) by a vote of 279-136, with 65 Democrats voting in favor of passage. H.R.8 would repeal the estate and gift taxes gradually over a 10 year period. You sent a letter to Speaker Hastert and Minority Leader Gephardt before floor action saying that you would veto estate tax repeal. (We have attached a memo that briefly describes and analyzes the House Democratic alternative).

Senate Majority Leader Lott has discussed taking H.R. 8 directly to the floor, bypassing the Finance Committee. This could occur as early as next week, although Senator Daschle reported at a Democratic caucus meeting yesterday (attended by Secretary Summers) that this is unlikely based upon his conversations with Senator Lott.

Senators Daschle, Moynihan and Baucus are presently formulating a Democratic alternative. They appear to favor an option that would (1) increase the amount exempt from tax (currently at \$675,000) over time to \$1.5 million per individual, (2) increase the special exemption amount for family farms and small businesses (currently at \$1.3 million) to \$2.5 million, and (3) provide "portability," that is, allow the second spouse to die to use the portion of the unified credit and the family farm/small business exception not used by the first spouse. At the caucus, many Senators expressed support for this type of approach. Several others argued that the best counter to estate tax repeal would be a package of middle class tax cuts or benefits, such as your College Opportunity Tax Cut, long term care credit, or prescription drug benefits. Senators Feinstein and

Boxer want a special estate tax exclusion for principal residences. Senator Kerrey spoke in favor of repeal. He and eight other Democrats are cosponsors of an estate tax repeal bill.

Discussion of Options

1. Increase Exemption Amounts

Retarget the Estate Tax at Very Wealthy People

Under current law, the so-called "unified credit" allows up to \$675,000 in value to be excluded from tax. This exemption amount is scheduled to increase by 2006 to a level where \$1 million is excluded from tax. That would result in an estate taxpaying population in 2010 equal to about 2 percent of all decedents—the same level it is at now.

An increase in the unified credit would further reduce the number of estate taxpayers and assure that it applies to only the truly wealthy. We believe it is the fairest, most efficient way to provide estate tax relief. For example, an approach similar to that currently being considered by Senate Democrats—immediately implementing a \$1 million exclusion in 2001, phased up to \$1.5 million by 2010—would cut the number of estate taxpayers by about 33 percent in 2001 compared with current law, and by about 45 percent in 2010. That is, over 16,000 people would be removed from the estate tax rolls in 2001, and more than 24,000 would be removed in 2010. Moreover, a tax credit provides the same tax reduction to someone with a \$1.5 million estate as to someone with a \$15 million estate. This option would cost about \$40 billion over ten years. A slower phase-in could cut the cost to about \$25 billion. (See attached table).

Provide Targeted Relief for Farmers and Small Businesses

Current law provides special estate tax treatment to family farms and small businesses. First, a special exclusion is provided for the value of up to \$1.3 million of certain qualifying family farms and small businesses. Second, special valuation rules are provided for real property used in a qualified farm or business. Third, taxes attributable to farms and small business may be deferred and paid in installments over 14 years at below-market interest rates.

In 1998, only an estimated 642 taxable estates were comprised primarily of farm assets, and only an estimated 521 taxable estates were comprised primarily of closely-held business assets. About 96 percent of these estates with family farms were worth less than \$5 million; 71 percent of these estates with businesses were worth less than that amount. Thus, we believe with a relatively modest increase in the special exclusion amount (e.g., raising the exempt amount to \$5 million for couples and \$2.5 million for single taxpayers) that virtually all family farms and a substantial percentage of small business could avoid the estate tax.¹ This would remove the strongest political argument that the Republicans have for full repeal – the adverse effect on passing family farms and small businesses between generations. This type of proposal would add about \$5 billion to the cost over 10 years.

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Make the Estate Tax Simpler and Fairer (Portability of Unified Credit)

Under current law, much estate tax planning is involved in maximizing the benefit to couples of the unified credit—that is, to ensure that they could exclude the entire \$675,000 per spouse—making for what is effectively a \$1,350,000 unified credit for the couple. Married individuals who leave their entire estate to a surviving spouse effectively sacrifice the first spouse's unified credit—that is, the couple gives up the opportunity to bequeath \$675,000 to their heirs tax free. Thus, similar couples can pay very different amounts of tax depending on whether they have seen a tax lawyer. Wealthier people may pay tax at a lower rate because they are more likely to have expert estate planning advice. Thus, the complexity of the estate tax law creates both horizontal and vertical inequities.

As part of a fiscally responsible package, we would recommend allowing portability of the unified credit, so that the second spouse to die could use any portion of the unified credit that was unused by the first spouse. Thus, if the first spouse leaves his entire estate to his wife and zeroes out his taxable estate due to the marital deduction, his wife's estate could claim credits that would exempt up to \$1,350,000 of estate from tax (using both her husband's and her own credit). In combination with the increase in the unified credit, portability would, when fully phased in, allow a couple to exclude up to \$3 million of assets from tax, without any estate tax planning. Portability would add about \$5 billion to the cost of estate tax reform over ten years.

Provide Transitional Targeted Relief for Homeowners

Legislators in areas where house prices have greatly appreciated have stressed the importance of providing relief for homeowners who are house rich but don't feel wealthy. This is particularly important to the California delegation.

Some have proposed an exclusion of up to \$500,000 per spouse of home equity from estate tax. Such a proposal could result in highly inefficient tax sheltering activity. For example, the exclusion could induce renters to purchase homes solely as an estate tax shelter, or cause older people who move to retirement homes, assisted living, or nursing homes to hold onto their principal residence solely for tax purposes. Those who have to move out of their homes, because of an extended stay in a nursing home, would reasonably view a preference for those healthy enough to stay in their homes as unfair.

Senator Feinstein apparently has a different concern than the rest of the delegation. Her staff has told us she wants to exclude the full value of residences when they are left to children who continue to live in the home after the parent's death.

One possible alternative for addressing this issue would be to allow transitional relief (in the form of a special exemption amount) for current homeowners until the higher unified credit proposed above is fully phased in. Once the increased unified credit is fully phased in combined with portability, taxpayers would be able to exclude up to \$3 million of housing equity (and other assets), which should be sufficient. Such an option would add about \$1 billion to the cost of the package over ten years.

Also, since capital gains tax would be levied at low rates (generally 20 percent or less) and deferred until the asset is sold, it would raise far less revenue in the budget window than the estate and gift taxes it would replace. Finally, heirs of property that had passed through multiple generations would have a nearly impossible task measuring their capital gains (as would the IRS in trying to administer the provision). The concern about complexity was a major factor behind the public outcry about carryover basis when it was enacted in 1976, which led to its delay and ultimate repeal before it could become effective.

Recommendation

Encourage Senate Democrats to adopt an alternative similar to the option currently favored by Senators Daschle, Moynihan and Baucus. This approach would have several elements and would accomplish several important objectives that would have political appeal.

- Immediately increase unified credit to \$1 million and increase to \$1.5 million by 2010.
 - Unlike H.R. 8, the immediate increase in the unified credit will remove one-third of estates from the estate tax and provide significant relief to others.
 - Continuing to increase the unified credits would significantly reduce (by 2010, about half of) the number of people who are subject to the estate tax, so that it is targeted at the truly wealthy.
- Increase the family farm and small business exclusion from \$1.3 million to \$2.5 million.
 - This would address the special concerns of family farmers and small business owners and would allow virtually all family farms and a significant percentage of small businesses to avoid the estate tax.
- Allow the estate of the second spouse to die to use any portion of the unified credit and family farm/small business exclusion not used by the first spouse.
 - This increases fairness and significantly simplifies the tax so that those who do not engage in costly estate tax planning will not be disadvantaged.

In total, this package would cost substantially less than H.R. 8 (particularly in the out years). This approach would cost somewhere between \$35 billion and \$50 billion depending on how quickly increases in the unified credit are phased in. In 2010 and beyond (i.e., when full repeal would take effect in H.R. 8), this approach would cost less than one-fifth as much as full repeal (\$10 billion a year as compared to \$50 billion).

We also believe that it may be important politically to provide targeted relief for homeowners who seem wealthy simply because their homes have vastly increased in value. This is particularly important in California, where housing prices in various areas have skyrocketed. Senate Democrats do not have any provision targeted at homeowners. We, however, recommend that the Administration publicly reiterate its support for the concept of targeted relief for such homeowners.

Finally, we should seriously consider the context under which we should present any estate tax reform proposal. Your economic advisers have been discussing whether we should support a more progressive and targeted approach to the estate tax as a stand-alone measure or whether we should offer limited estate tax relief in exchange for targeted, middle-class oriented tax cuts, like the Earned Income Tax Credit, long-term care tax credits, or the college opportunity tax cut. We will be discussing further strategic options with you as we develop them.

Appendix 1. House Democratic Alternative

Democrats on the Ways and Means Committee proposed an alternative option to reform the estate tax. It would immediately raise the exempt amount from \$675,000 to \$1.1 million; and raise the exemption to \$1.2 million in 2006. It would reduce estate tax rates across the board by 20 percent, so the top rate would fall from 55 percent to 44 percent, and pay for this by converting the state death tax credit to a deduction. It would exempt up to \$4 million of small farm and business income (QFOBI) for a couple (\$2 million for singles). It would limit the revenue cost by closing some estate tax loopholes and converting the QFOBI deduction to an applicable exclusion amount. Two of the proposals to close loopholes were proposed in our FY 2001 budget.

Details

- Reduce all tax rates (except for the 5% surtax) by 20 percent. The resulting statutory rates would range from 32.8% on estates under \$1,250,000 to 44% on estates of \$3,000,000 or more.
- Modify and expand the qualified family owned business interest (QFOBI) benefit.
 - Change the QFOBI deduction to an applicable exclusion amount.
 - Increase the applicable exclusion amount (the amount exempted by QFOBI plus the unified credit) from \$1.3 million to \$2.0 million.³
 - Allow the second spouse to die to use the QFOBI exclusion amount not used by the first spouse to die, provided that the first spouse also qualified for but did not make the QFOBI election.
- Increase the amount exempted by the unified credit to \$1,100,000 for 2001 through 2005, and to \$1,200,000 for 2006.
- Eliminate the state death tax credit and allow a deduction for all state death taxes paid. (See discussion of issues raised by this proposal below.)
- Provide for the taxation of certain gifts and bequests from expatriates.
- Eliminate the ability to claim valuation discounts on account of lack of voting control, where the transferor and members of the transferor's family together have voting control.
- Restore the phase-out of the unified credit for estates in excess of about \$16,000,000. (Included in the Administration's FY 2001 Budget proposal.)

³ Note that QFOBI effectively substitutes for the unified credit for estates with qualifying farms and businesses valued at more than the amount exempted by the unified credit. Thus, for example, a person whose qualifying business was valued at \$1.5 million would have a credit equal to the tax liability on that amount. If the business was worth \$5 million, the credit would exempt \$2 million of assets. Note that the QFOBI exemption is not in addition to the general unified credit.

- Eliminate non-business valuation discounts. (Included in the Administration's FY 2001 Budget proposal.)

Cost: About \$30 billion over 10 years.

Discussion: Unlike the Republican proposal (H.R. 8), the estate tax relief in the Democratic alternative is effective immediately. Thus revenue costs are apparent, and not hidden outside of the budget window. All estates that are now taxable would benefit from the reduction in tax rates, and all but the very largest estates would benefit from the increases in the unified credit. Additional relief would be targeted to qualified family owned business interests (QFOBI).

We believe that much of the animosity toward the transfer tax system stems from the top marginal rates that are in excess of 50 percent. By keeping the top rate at 44 percent (with a marginal rate of 49 percent in the region where the unified credit and graduated rates are phased out), the Democratic alternative ensures that no taxpayer will owe more than half of his or her taxable estate to the government.

The proposal is paid for in part by the conversion of the state death tax credit to a deduction. We would expect state revenues to fall as a result of this provision. Under current law, state death taxes are creditable against the federal tax, up to a limit. States generally levy death taxes equal to the federal credit, thereby shifting revenue from the federal government to the state governments. For example, for the largest estates, the effective Federal marginal tax rate is 39 percent (rather than 55 percent) and the effective state marginal tax rate is 16 percent. Most state laws refer directly to the federal credit. Thus, repealing the federal credit would effectively reduce state revenues to zero. Nearly all states would have to enact new laws that are independent of the federal credit, or forego this revenue. States 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.

Appendix 2. Summary of Options for Reform and Their Revenue Cost

1. Increase exempt amount of farm and business assets (QFOBI) to \$2.5 million (\$5 million for couples)
2. Simplify estate tax planning by making the unified credit portable (so the credit for couples becomes double the credit for singles)
3. Provide transitional relief for homeowners.
4. Phase in an increase in the amount excluded by the unified credit to \$3,000,000 by 2010; exclusion for singles phases up to \$1,500,000
 - a. Slow phase in: phase in \$1,000,000 per estate exemption by 2005 (one year earlier than current law); phase up to \$1,500,000 between 2006 and 2010
 - b. Fast phase in: Increase exempt amount in 2001 from \$675,000 to \$1,000,000; phase up to \$1,500,000 between 2006 and 2010

Approximate Revenue Cost and Effect on Estate Tax Population of Two Phase-In Options

Provision	Approximate 10-year cost (\$billions)	Reduction in estate taxpayers in (in percents)	
		2001	2010
1. Farms and Businesses (QFOBI)	\$5	1	2
2. Simplify tax planning (portability)	\$5	1	5
3. Personal residences	\$1	*	*
4. Increase exempt amount to \$3,000,000			
4a. slow phase in	\$25	33	45
4b. fast phase in	\$40	1	45
Total cost of packages (1+2+3+4)			
a. slow phase in	\$35	3	51
b. fast phase in	\$50	35	52

Source: Department of the Treasury, Office of Tax Analysis

* less than 0.5 percent

Note: estimates are very preliminary.

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SITUATION ROOM**

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UNCLASSIFIED

DATE/TIME: _____

MESSAGE #: _____

FROM: **LISEL LOY**

PHONE: **62702**

ROOM: _____

**GD FL
WW**

SUBJECT: **SUMMERS/SPERLING MEMO RE ESTATE TAX ISSUES AND
OPTIONS**

PAGES: **10**

PLEASE DELIVER TO:

<u>LOCATION</u>	<u>DELIVER TO</u>	<u>ROOM</u>	<u>PHONE</u>
_____	DOUG BAND (FOR THE PRESIDENT)	_____	_____
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SPECIAL DELIVERY INSTRUCTIONS/REMARKS:

THE WHITE HOUSE
WASHINGTON

June 21, 2000

MEMORANDUM FOR THE PRESIDENT

FROM: LAWRENCE H. SUMMERS
GENE SPERLING

SUBJECT: Estate Tax Issues and Options

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Some have proposed an exclusion of up to \$500,000 per spouse of home equity from estate tax. Such a proposal could result in highly inefficient tax sheltering activity. For example, the exclusion could induce renters to purchase homes solely as an estate tax shelter, or cause older people who move to retirement homes, assisted living, or nursing homes to hold onto their principal residence solely for tax purposes. Those who have to move out of their homes, because of an extended stay in a nursing home, would reasonably view a preference for those healthy enough to stay in their homes as unfair.

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2. Reduce Marginal Tax Rates

Rate reduction is expensive and provides a disproportionate share of the benefits to the very wealthiest estates. The 20-percent across the board rate reduction done by the House Democrats would have cost \$50-60 billion over ten years; a flat 40 percent rate would cost an additional \$30 billion or more. In contrast, the options outlined above all help the least wealthy estate taxpayers.

Federal estate tax rates are inflated by the fact that they effectively cover state inheritance and estate taxes as well. This is because current law allows state inheritance and estate taxes to be credited against the federal tax, up to a limit, which varies by size of the gross estate. 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.

Thus, in contrast to the federal income tax, the federal marginal rate effectively includes both the federal tax and the 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.

The House Democratic alternative would finance federal estate tax rate reduction by replacing the state death tax credit with a deduction for state inheritance and estate taxes. This option could cause many states to repeal or sharply curtail their inheritance and estate taxes. Such taxes are an important source of revenue in many states, including California, Florida, and New York. Thus, this option, which sharply reduced the cost of the House Democratic alternative could be very controversial with the States.

It is also important to note that, because of many deductions and credits, the average estate tax rate is much lower than the statutory rates. Total estate tax liability in 1998 equaled about 25 percent of the value of taxable estates. (This number does not reflect the loopholes that reduce the size of gross estates.)

3. Repealing Estate Tax and Enacting Carryover Basis

The carryover basis option would repeal the estate tax, but essentially require that capital gains are eventually paid on all assets, rather than being forgiven at death. This proposal has considerable policy merit, insofar as it would address a serious defect in the income tax, would reduce the incentive for people to hold assets until death, and would still defer tax on assets that are not sold—addressing a concern of farmers and business owners.

However, it is politically infeasible because it would raise taxes on hundreds of thousands of heirs with appreciated property who would not otherwise be subject to the estate tax under current law—all of those with appreciated property worth less than the estate tax exclusion.²

² The Republican proposal (H.R. 8) avoided taxing those not subject to estate tax by allowing large exemptions from the carryover basis rule. For each decedent, up to \$3 million in property passing to a surviving spouse and up to \$1.3 million in property passing to other beneficiaries would receive a step-up in basis.

Also, since capital gains tax would be levied at low rates (generally 20 percent or less) and deferred until the asset is sold, it would raise far less revenue in the budget window than the estate and gift taxes it would replace. Finally, heirs of property that had passed through multiple generations would have a nearly impossible task measuring their capital gains (as would the IRS in trying to administer the provision). The concern about complexity was a major factor behind the public outcry about carryover basis when it was enacted in 1976, which led to its delay and ultimate repeal before it could become effective.

Recommendation

Encourage Senate Democrats to adopt an alternative similar to the option currently favored by Senators Daschle, Moynihan and Baucus. This approach would have several elements and would accomplish several important objectives that would have political appeal.

- Immediately increase unified credit to \$1 million and increase to \$1.5 million by 2010.
 - Unlike H.R. 8, the immediate increase in the unified credit will remove one-third of estates from the estate tax and provide significant relief to others.
 - Continuing to increase the unified credits would significantly reduce (by 2010, about half of) the number of people who are subject to the estate tax, so that it is targeted at the truly wealthy.
- Increase the family farm and small business exclusion from \$1.3 million to \$2.5 million.
 - This would address the special concerns of family farmers and small business owners and would allow virtually all family farms and a significant percentage of small businesses to avoid the estate tax.
- Allow the estate of the second spouse to die to use any portion of the unified credit and family farm/small business exclusion not used by the first spouse.
 - This increases fairness and significantly simplifies the tax so that those who do not engage in costly estate tax planning will not be disadvantaged.

In total, this package would cost substantially less than H.R. 8 (particularly in the out years). This approach would cost somewhere between \$35 billion and \$50 billion depending on how quickly increases in the unified credit are phased in. In 2010 and beyond (i.e., when full repeal would take effect in H.R. 8), this approach would cost less than one-fifth as much as full repeal (\$10 billion a year as compared to \$50 billion).

We also believe that it may be important politically to provide targeted relief for homeowners who seem wealthy simply because their homes have vastly increased in value. This is particularly important in California, where housing prices in various areas have skyrocketed. Senate Democrats do not have any provision targeted at homeowners. We, however, recommend that the Administration publicly reiterate its support for the concept of targeted relief for such homeowners.

Finally, we should seriously consider the context under which we should present any estate tax reform proposal. Your economic advisers have been discussing whether we should support a more progressive and targeted approach to the estate tax as a stand-alone measure or whether we should offer limited estate tax relief in exchange for targeted, middle-class oriented tax cuts, like the Earned Income Tax Credit, long-term care tax credits, or the college opportunity tax cut. We will be discussing further strategic options with you as we develop them.

Appendix 1. House Democratic Alternative

Democrats on the Ways and Means Committee proposed an alternative option to reform the estate tax. It would immediately raise the exempt amount from \$675,000 to \$1.1 million; and raise the exemption to \$1.2 million in 2006. It would reduce estate tax rates across the board by 20 percent, so the top rate would fall from 55 percent to 44 percent, and pay for this by converting the state death tax credit to a deduction. It would exempt up to \$4 million of small farm and business income (QFOBI) for a couple (\$2 million for singles). It would limit the revenue cost by closing some estate tax loopholes and converting the QFOBI deduction to an applicable exclusion amount. Two of the proposals to close loopholes were proposed in our FY 2001 budget.

Details

- Reduce all tax rates (except for the 5% surtax) by 20 percent. The resulting statutory rates would range from 32.8% on estates under \$1,250,000 to 44% on estates of \$3,000,000 or more.
- Modify and expand the qualified family owned business interest (QFOBI) benefit.
 - Change the QFOBI deduction to an applicable exclusion amount.
 - Increase the applicable exclusion amount (the amount exempted by QFOBI plus the unified credit) from \$1.3 million to \$2.0 million.³
 - Allow the second spouse to die to use the QFOBI exclusion amount not used by the first spouse to die, provided that the first spouse also qualified for but did not make the QFOBI election.
- Increase the amount exempted by the unified credit to \$1,100,000 for 2001 through 2005, and to \$1,200,000 for 2006.
- Eliminate the state death tax credit and allow a deduction for all state death taxes paid. (See discussion of issues raised by this proposal below.)
- Provide for the taxation of certain gifts and bequests from expatriates.
- Eliminate the ability to claim valuation discounts on account of lack of voting control, where the transferor and members of the transferor's family together have voting control.
- Restore the phase-out of the unified credit for estates in excess of about \$16,000,000. (Included in the Administration's FY 2001 Budget proposal.)

³ Note that QFOBI effectively substitutes for the unified credit for estates with qualifying farms and businesses valued at more than the amount exempted by the unified credit. Thus, for example, a person whose qualifying business was valued at \$1.5 million would have a credit equal to the tax liability on that amount. If the business was worth \$5 million, the credit would exempt \$2 million of assets. Note that the QFOBI exemption is not in addition to the general unified credit.

- Eliminate non-business valuation discounts. (Included in the Administration's FY 2001 Budget proposal.)

Cost: About \$30 billion over 10 years.

Discussion: Unlike the Republican proposal (H.R. 8), the estate tax relief in the Democratic alternative is effective immediately. Thus revenue costs are apparent, and not hidden outside of the budget window. All estates that are now taxable would benefit from the reduction in tax rates, and all but the very largest estates would benefit from the increases in the unified credit. Additional relief would be targeted to qualified family owned business interests (QFOBI).

We believe that much of the animosity toward the transfer tax system stems from the top marginal rates that are in excess of 50 percent. By keeping the top rate at 44 percent (with a marginal rate of 49 percent in the region where the unified credit and graduated rates are phased out), the Democratic alternative ensures that no taxpayer will owe more than half of his or her taxable estate to the government.

The proposal is paid for in part by the conversion of the state death tax credit to a deduction. We would expect state revenues to fall as a result of this provision. Under current law, state death taxes are creditable against the federal tax, up to a limit. States generally levy death taxes equal to the federal credit, thereby shifting revenue from the federal government to the state governments. For example, for the largest estates, the effective Federal marginal tax rate is 39 percent (rather than 55 percent) and the effective state marginal tax rate is 16 percent. Most state laws refer directly to the federal credit. Thus, repealing the federal credit would effectively reduce state revenues to zero. Nearly all states would have to enact new laws that are independent of the federal credit, or forego this revenue. States 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.

Appendix 2. Summary of Options for Reform and Their Revenue Cost

1. Increase exempt amount of farm and business assets (QFOBI) to \$2.5 million (\$5 million for couples)
2. Simplify estate tax planning by making the unified credit portable (so the credit for couples becomes double the credit for singles)
3. Provide transitional relief for homeowners.
4. Phase in an increase in the amount excluded by the unified credit to \$3,000,000 by 2010; exclusion for singles phases up to \$1,500,000
 - a. Slow phase in: phase in \$1,000,000 per estate exemption by 2005 (one year earlier than current law); phase up to \$1,500,000 between 2006 and 2010
 - b. Fast phase in: Increase exempt amount in 2001 from \$675,000 to \$1,000,000; phase up to \$1,500,000 between 2006 and 2010

Approximate Revenue Cost and Effect on Estate Tax Population of Two Phase-In Options

Provision	Approximate 10-year cost (\$billions)	Reduction in estate taxpayers in (in percents)	
		2001	2010
1. Farms and Businesses (QFOBI)	\$5	1	2
2. Simplify tax planning (portability)	\$5	1	5
3. Personal residences	\$1	*	*
4. Increase exempt amount to \$3,000,000			
4a. slow phase in	\$25	33	45
4b. fast phase in	\$40	1	45
Total cost of packages (1+2+3+4)			
a. slow phase in	\$35	3	51
b. fast phase in	\$50	35	52

Source: Department of the Treasury, Office of Tax Analysis

* less than 0.5 percent

Note: estimates are very preliminary.



BRIAN PEARSON SUPPORT COMMITTEE

ROCKLAND IRISH AMERICAN CULTURAL CENTER
284 CONVENT ROAD
BLAUVELT, N.Y. 10913



Re: Brian D. Pearson - File #A72472870

May 20, 1997

Dear Honorable Sir or Madam

7-6-00

We are request
decision in his deportation
Service has decided

JP/Scenely

7-6-00

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Since Brian
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Britain. Pearson was
prisoner by the British.
Such circumstances are a far cry from due process.

BR

life
at

a political
in custody.

Judge Williams, the Federal Immigration Judge, who presided at his trial found that he was not a
terrorist, as he granted him Status permitting him to remain in this
country with the safety of the United States. Accordingly

UNITED BROTHERHOOD OF CARPENTERS AND JOINERS OF AMERICA



We
President a

JOHN E. GREANEY
President and Business Manager

: ruling by asking you to pressure the
and let Brian and his family live in peace.

Tel: (212) 643-1070
Fax: (212) 643-2975



Local Union 608
505 Eighth Avenue
New York, N.Y. 10018
<http://www.local608.org>

THE BRIAN PEARSON SUPPORT COMMITTEE

John Cawley
Co-Chairman

Rena D. Keenan
Secretary

Matt Reilly
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Mary Higgins
Treasurer

JOHN CAWLEY (914) 623-6416

FAX (718) 549-5058
(914) 735-0116

MATT REILLY (914) 359-0392



BRIAN PEARSON SUPPORT COMMITTEE

ROCKLAND IRISH AMERICAN CULTURAL CENTER
284 CONVENT ROAD
BLAUVELT, N.Y. 10913



Re: Brian D. Pearson - File #A72472870

May 20, 1997

Dear Honorable Sir or Madam

7-6-00

We are requesting your support on behalf of Brian Pearson who recently received a favorable decision in his deportation trial in New York. Unfortunately the Immigration and Naturalization Service has decided to appeal this decision.

Since Brian came to this country in 1988 he has been a hardworking, law abiding resident who is married to his American born spouse, Doris, with whom he has a six year old American born daughter, Siobhan. Numerous witnesses testified before Judge Williams about Mr. Pearson's outstanding character and dedication to his community.

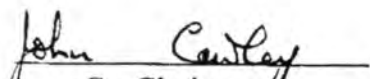
The argument for expelling Brian Pearson from our country and devastating his American wife and child is not based on this exemplary activity, but on his previous 12-year prison sentence in Great Britain. Pearson was convicted in a special "Diplock" non-jury trial, and designated as a political prisoner by the British government. He testified to Judge Williams that he was tortured in custody. Such circumstances are a far cry from due process.

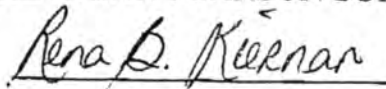
Judge Williams, the Federal Immigration Judge, who presided at his trial found that he was not a terrorist, as alleged, and did not pose a threat to the security or safety of the United States. Accordingly he granted Brian Political Asylum and Permanent Residency Status permitting him to remain in this country with his family.

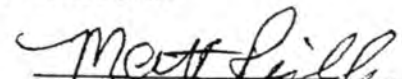
We are seeking your help in preserving the favorable ruling by asking you to pressure the President and the Justice Department to withdraw the appeal and let Brian and his family live in peace.

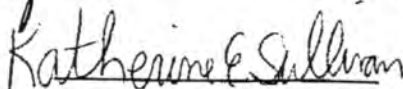
Respectfully yours,

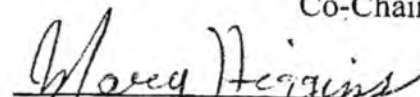
THE BRIAN PEARSON SUPPORT COMMITTEE


Co-Chairman


Secretary


Co-Chairman


Financial Secretary


Treasurer

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FAX (718) 549-5058
(914) 735-0116

MATT REILLY (914) 359-0392

Biography - Brian Pearson

Brian Pearson was born in Clogher Co. Tyrone and now resides in Pearl River N.Y. with his American born wife and daughter. Brian witnessed discrimination at the early age of fifteen when he earned the right to go on to continue his secondary education but was denied access to the school because he was Catholic and was forced to go to a trade school instead where he still witnessed discrimination.

Brian served 12 ½ years as a political prisoner in Long Kesh Camp, a political category prison established by the British government in northeast Ireland, from 1976 to 1988 for resisting the British occupation of his country. After his release in 1988, Brian came to New York to see his brother and to avoid the continued harassment by the British Troops. On entering the United States in 1988, while filling out a visa waiver form, Brian truthfully answered that he did not have a criminal record as he, and the British government, had defined his activities as political. He has never committed any crime against this country and his sole offense seems to have arisen from an act of patriotism committed against an occupying army in his homeland.

A short time after arriving here, Brian met Doris Collins from the Bronx and they were married in 1990. Their daughter, Siobhan, was born a year later. Brian also has a step daughter from Doris' previous marriage, named Tara.

In 1992, Doris applied for an "Adjustment of Status" for Brian as the spouse of an American born citizen, which would allow Brian to live and work here legally. In January 1995, Brian was notified that his application was denied based on his activities in Ireland. At an interview that was scheduled by INS on April 9, 1996 (Good Friday), Brian was arrested and threatened with immediate deportation for overstaying his 90 day visitor visa (7 ½ years later).) He was ordered to show cause why he should not be deported. His attorney immediately filed for political asylum. A hearing date was scheduled for August 2, 1996. INS deemed his imprisonment in Long Kesh to be criminal in nature rather than political. The judge granted Brian a Political Asylum trial.

His trial was presided over by Hon. Phillip Williams, Federal Immigration Judge who found by written decision ([click here to view the decision](#)) that Brian was not a terrorist, as alleged, and did not pose a threat to the security or safety of the United States. Accordingly, he granted Brian Political Asylum and Permanent Residency Status, permitting him to remain in this country with his family. INS appealed the decision in April 1997. On September 9, 1997, acting on a formal request from the Secretary of State, Ms. Madeline Albright, Attorney General, Janet Reno, suspended all deportation proceedings against six individuals ([click here to view the suspension order](#))

Brian's brother Phillip, whom Brian initially came to visit in the United States, succumbed to cancer after a long battle in November 1999. His mother, Mary aged 85, was admitted to a nursing home in Co. Tyrone, Northeast Ireland on October 11, 1999 in a weak and ill condition.

A bus trip to Washington was scheduled on March 3, 2000. Brian, Doris, Siobhan and the Brian Pearson Support Committee met with Congressmen and Senators and asked them to intercede with the Attorney General and/or the President to grant Brian his **Permanent Status**.

This would enable him to travel with his Americas born wife and eight-year old daughter to visit his ailing mother before she departs this life. Siobhan Pearson's basic civil rights should not be compromised by the ongoing battle between the INS and her father. This issue needs to be resolved as soon as possible. She deserves to visit her grandmother with her dad and mom as a family unit and have the fond memories of such a reunion.

Background on Brian:

Brian is a qualified union carpenter in Local 608 in New York City. Brian is a hard working taxpayer and law abiding man that deserves to stay, work and live the Americas Dream with his family here in New York.

He is an outstanding member of his community and is active in the following organizations in Rockland County: V.P. DIV 5 AOH, Rockland Irish American Cultural Center, The Irish Arts Forum and St. Margaret's Church in Pearl River. In 1996, Brian was the Honorary Grand Marshal in the Bergen County and the Rockland County Saint Patrick's Day Parade. In 1998, Brian was one of the aides to the Grand Marshall in the New York City Parade.

Brian has received many awards and certificates from the county and state governments indicating their respect and gratefulness for Brian's contributions to his community and also for his dedication to the cause of "Peace with justice in Northern Ireland".

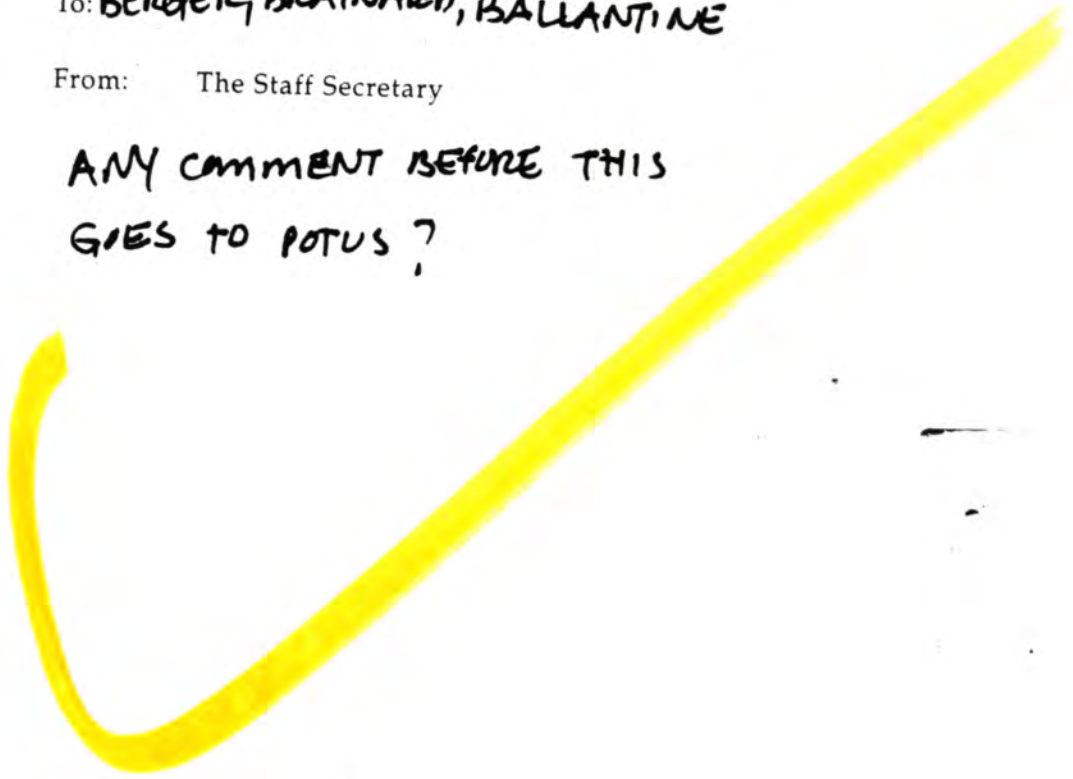
THE WHITE HOUSE
WASHINGTON

Date 7-6-00

To: BERGER, BRAINARD, BALLANTINE

From: The Staff Secretary

ANY COMMENT BEFORE THIS
GOES TO POTUS ?





The Secretary of Energy

Washington, DC 20585

June 30, 2000

'00 JUL 5 PM4:20

MEMORANDUM FOR THE PRESIDENT

FROM: BILL RICHARDSON *BR*

SUBJECT: Recent Developments in Climate Change

I am writing to update you on the Department of Energy's recent climate change efforts. We have been actively pursuing our developing country strategy that includes persuading some governments to take on greenhouse gas emissions targets, establishing dialogues on climate change with "major emitters" and, most importantly, including environmental protection as a key component to all our discussions of energy development. Through these efforts, I am promoting your message that developing countries can move directly to cleaner, more efficient ways of meeting their energy needs. On the domestic front, our activities are based on the conviction that we can grow the economy and make real progress on climate change at the same time.

International Activities: I am pleased to report that the Government of Bolivia intends to take a binding greenhouse gas emissions target under the Kyoto Protocol. We plan to make a joint announcement in July. Bolivia is the first country to pledge to develop an emissions target since Kazakhstan and Argentina both took on targets at the end of 1998. Persuading developing countries to take on a target is an intensive process. Nevertheless, I believe that increasing the number of countries that have done so is an important element of demonstrating that the developing world is participating meaningfully in the Kyoto process.

As you know, I have targeted a number of countries including India, China and Mexico that have proven to be major "challenges" – large emitters that have voiced strong opposition to developing countries adopting emissions targets. In each case, we have made real progress. With India, I was pleased to sign a Clean Energy statement with Jaswant Singh as a precursor for the Energy and Environment agreement completed on your trip. I am hopeful that our cooperative activities under this program will not only contribute to cleaner energy production and use in India, but also to more cooperative, rather than confrontational, discussions of this issue.

DOE continues to engage the Peoples Republic of China in the area of energy efficiency and renewable energy through an active consultative mechanism and technical exchanges. These are important steps in sharing information and



technology that will lead to reductions in greenhouse gas emissions. Our activities with Mexico under the high level working group on sustainable energy that you established with President Zedillo have reduced Mexican resistance to discussions of how best to address the problems of climate change.

The Department of Energy continues to develop support from developing countries for clean energy and for the right to take on additional climate change commitments. I have hosted three regional conferences for Energy Ministers from the Americas, Africa, and APEC at which we unanimously endorsed clean energy statements that include language supporting such additional voluntary commitments. Bilaterally, DOE has signed climate change statements with South Africa, Mexico, Kyrgyzstan, Lithuania, Latvia, Estonia, and the Philippines.

My staff is also actively engaged in the international negotiations under the United Nations Framework Convention on Climate Change to complete the detailed development of the Kyoto Protocol. Our strategy continues to focus on creating a value for reducing greenhouse gas emissions and designing agreements that can work effectively at least cost.

Domestic Activities: I continue to push the Comprehensive Electricity Competition Act with Congress and at our many electricity reliability summits across the country. We have had some success with legislative markups scheduled in both houses of Congress, although it is unlikely that we will see restructuring legislation enacted this year.

In transportation, we reached some important milestones in the Partnership for a New Generation of Vehicles program, in which the Big Three automakers will begin marketing substantially more fuel-efficient vehicles within three or four years. While these vehicles will not be the 80 miles-per-gallon vehicles that are the ultimate goal for the program, they are likely to be well-received by consumers, and will set the stage for further advances in this area. We also have embarked on a parallel program to develop a high-mileage 21st century truck.

In power generation technologies, we recently announced the achievement of a 60 percent efficient natural gas-fired turbine--the power generation equivalent of a four-minute mile. These turbines will help us reduce the price of electricity to consumers while reducing greenhouse gas emissions and conventional pollutants.

Finally, through the Department's research efforts, we are advancing our understanding of climate change. For example, we are undertaking a carbon sequestration R&D program, which focuses on cost-effective concepts for capturing then reusing or storing carbon emissions.

While we have been successful in some areas in demonstrating that our approach to reducing emissions while supporting a thriving economy is the correct one, the congressional response to our budget request has been disappointing. The allocations our climate change programs have received are insufficient to maintain our current levels of activity, let alone support expansions that are warranted.

cc:

The Honorable Al Gore
Vice President

After Doctors' Antitrust Triumph, Lott Puts Up Roadblock in Senate

A1

By ROBERT PEAR

WASHINGTON, June 30 — Elated with a big victory in the House, doctors opened a campaign today to persuade the Senate to give them an exemption from antitrust laws so they could bargain collectively with insurance companies over fees and other issues.

But the Senate majority leader, Trent Lott, Republican of Mississippi, said he would stand in their way.

The House passed a bill to exempt doctors from major provisions of the antitrust laws early today. The final vote, at 2 a.m., was 276 to 136, with a two-thirds majority heeding the doctors' pleas for relief.

The chief sponsor of the bill, Representative Tom Campbell, Republican of California, and his allies at the American Medical Association said the lopsided vote in the House would give them momentum in the Senate.

But Mr. Lott expressed opposition to the bill, saying: "I don't think we need more lawsuits in America. And I don't think we need more, you know, labor unions in America. And that's basically what they're trying to do. So I certainly don't look on it favorably. And I won't be trying to find a way to pass it, I'll tell you that."

Mr. Lott's position reduces the chances that the bill will get through the Senate this year. No senator has introduced such legislation, though Mr. Campbell and the A.M.A. are trying to find a senator, preferably a Republican, to take up the cause.

Senate Republican leaders are in no hurry to help the association. Indeed, the Republican leaders are upset with the group because doctors have worked closely with President Clinton and with Democrats in Congress to pass a Democratic bill defining patients' rights in a much more expansive way than Republicans want.

The Campbell bill would exempt health care professionals from provisions of the antitrust laws when they negotiate with health maintenance organizations and insurers over fees and contract terms.

In the last 20 years, doctors have often been accused of violating the seminal antitrust law, the Sherman Act of 1890, which prohibits contracts, combinations and conspiracies in restraint of trade. The law applies to doctors as it applies to vitamin manufacturers and road construction companies.

In a typical case, the Federal Trade Commission asserted that patients and employers had been forced to bear more than \$1 million in increased costs because of a price-fixing conspiracy by surgeons in Austin, Tex., in 1998 and 1999.

Doctors who are employees — at hospitals, for example — can join labor unions and collectively negotiate with their employers under existing law. The House bill would grant

similar immunity from the antitrust laws to independent doctors.

Doctors said they needed more leverage to negotiate on working conditions, the quality of care, the number of patients they must see in a day and similar issues.

"This bill helps doctors help their patients — nothing more, nothing less," Mr. Campbell said. "Medical professionals should be allowed to provide care for their patients as they think best, and today Congress empowered them to do so."

House passage of the Campbell bill has set off a titanic battle of lobbyists that mirrors the struggle between doctors and insurance companies to control patient care.

The A.M.A. has a formidable team of lobbyists. Dr. Donald J. Palmisano, a trustee of the association, said he sent e-mail messages to hundreds of doctors in the course of the House debate, and they flooded Congressional offices with phone calls urging passage of the Campbell bill.

In an e-mail message sent to doctors at 3:15 a.m. today, Dr. Palmisano said: "Wow! We had an impressive win. Now on to the Senate and the president. We must continue to push hard and not accept the naysayers' view. They have been 100 percent wrong so far."

Insurance companies, H.M.O.'s and business groups like the United States Chamber of Commerce have waged an even bigger campaign against the bill. They said they would press their arguments next week in meetings with senators home for the Fourth of July recess.

The bill is opposed by groups representing nurses, nurse practitioners and midwives, who fear doctors would demand that health plans restrict the role of such nonphysicians.

Antitrust officials at the Federal Trade Commission and the Justice Department also opposed the Campbell bill, saying it would enable doctors to raise their fees. As a result, the officials said, employers and individual purchasers of health insurance would have to pay higher premiums, and spending for Medicare and Medicaid would increase.

The Federal Trade Commission and the Justice Department have filed numerous cases alleging that doctors boycotted H.M.O.'s, tried to fix prices or conspired to thwart the cost-control efforts of managed care organizations. Robert Pitofsky, chairman of the commission, said the Campbell bill would legalize such conduct.

The Consumer Federation of America opposed the bill. But dozens of liberal Democrats, who take pride in being consumer advocates, voted

for it, saying the bill would correct the imbalance of power between doctors and insurance companies.

Representative David E. Bonior of Michigan, the Democratic whip, a staunch ally of organized labor, said the bill "reinforces the value of collective bargaining in our society."

Doctors said they needed the Campbell bill so they could serve more effectively as advocates for their patients in negotiations with insurance companies.

But Travis B. Plunkett, legislative director of the Consumer Federation of America, said, "When doctors express such concerns, it's often merely an attempt to improve their economic position in the guise of quality of care."

Dr. Palmisano, a surgeon in New Orleans, said: "You cannot divorce fees from quality care. In California, some managed care companies pay pediatricians as little as \$10 per child per month, for care that costs over \$40 a month on the average. More than 100 California physician groups have gone bankrupt or closed. Five giant health plans dictate the health care of 90 percent of insured Californians."

The Campbell bill does not give doctors any new right to strike, or to withhold services from patients. But Mr. Pitofsky said it would give doctors "coercive power" because they could back their demands for higher fees by collectively refusing to deal with certain health plans.

Mr. Campbell is running for the Senate against Senator Dianne Feinstein, a Democrat. She has not taken a position on the bill, but has suggested that patients would be better served if Congress simply passed the patients' bill of rights.

JP

7-6-00

Shouldn't we
get behind this,
try to figure for
Patents on 7/00?

JP

Copied
Padesta

THE PRESIDENT HAS SEEN
7-6-00

A 'High Wall of Mistrust' Still Divides U.S. and Iran

Both Countries Wary Of Moves Toward Detente

By HOWARD SCHNEIDER
Washington Post Foreign Service

TEHRAN, July 4
It's the U.S. Independence Day, and there is not a hot dog or a beer to be found. There is a nice portrait of the Statue of Liberty with a skeletal death mask, however, and some modest words of encouragement from the citizens of the Islamic Republic of Iran.

"Americans . . ."

Pause for thought.

"... are less sneaky than the British," said one of the administrators of Iran's new, reform-dominated parliament.

"We . . ."

Pause for thought.

"... are glad you kicked out the British," said a salesman at a state-owned handicrafts store, going about as far as many Iranians will go in saying nice things about a country whose people are well liked but whose government is still seen as bent on world domination.

Three years into an era of detente promised by Iran's reformist President Mohammed Khatemi, there is little evidence that his hoped-for "dialogue of civilizations" has changed the basic dynamic of Iran's relations with the United States, severed after the takeover of the U.S. Embassy by Islamic militants in 1979.

A nation of more than 60 million, with one of the world's largest reserves of oil and one of the best educated work forces in the region, Iran's earlier radicalism has given way to a reform movement under which it is mending ties with its Arab neighbors, sending officials and trade delegations throughout Europe, and preaching "Asian convergence" with the Far East. But the cycle of suspicion between the United States and Iran rewinds and replays as regularly as ever, forestalling the renewal of a relationship that could be central to maintaining stability in the Middle East.

The goodwill of recent sports and academic exchanges is, to Iranians, marred by the fingerprinting of Iranian nationals when they arrive at the U.S. border. The advance of democracy here is, in the eyes of U.S. officials, tainted by events such as the recent trial of 13 Jews accused of spying for Israel.

The regret expressed by U.S. officials over involvement in the 1953 coup against a popular Iranian prime minister is lost on Iranians amid memories of the support given to Iraq during its 1980s war with Iran, the downing of a civilian airliner over the Persian Gulf by a U.S. warship in 1988, or the fact that hundreds of millions of dollars in Iranian assets remain frozen by the United States from the days of the embassy takeover.

In the American view, the apparent move toward moderation by parts of the Iranian government is offset by earlier alleged Iranian involvement in anti-U.S. terrorism in Lebanon and Saudi Arabia, and by the current closure of newspapers, attacks against democracy activists and the purported pursuit of nuclear weapons. The two countries remain divided as well on the Middle East peace process.

Khatemi, who started his term three years ago dressing down demonstrators who hollered "death to America," now speaks of the "high wall of mistrust" that remains between Iran and the United States. During a recent trip to China, he said that "the cultural, economic and political system of the world cannot be left to the whims of the imposing wishes of the dominant powers."

"Iran is a nation that tries to have contacts with all the world," said Jamileh Khadivar, a member of the reform coalition whose dominance in the current Iranian parliament held out the hope of improved ties with the United States. "But in the case of a government that has hegemonic tendencies, that won't work."

U.S. officials responded to Khatemi's recent remarks by saying that repairing ties with Iran will require, foremost, "patience."

Beyond the rhetoric, there are some signs that diplomatic and other analysts here read as boding well for better U.S.-Iranian ties. Most notably are Iran's improved relations with U.S. allies in the Persian Gulf, and its conversation with Egypt about restoring diplomatic relations severed two decades ago when Egypt signed a peace treaty with Israel and sheltered Shah Mohammad

Reza Pahlavi after he was deposed by the Islamic revolution.

Many Iranians say they would like relations with the United States to improve, although it is a sentiment inevitably couched in terms of equality and mutual respect.

Memories here run deep, and even casual conversations may meander from pleasantries about relatives

among Iran's large expatriate population in the United States to discussion of the shah's repressive regime. It's a past Iranians want to avoid repeating, even if they would also like to end the feud with the United States.

"We've always liked American values, as long as the American government doesn't take advantage of us," said Yousef Mashayakee, 24, who works for the Iranian Oil Company in the southern city of Shiraz. "No country wants to have enemies. . . . Normal people want normal relationships."

That the United States remains the target of suspicion is counter to earlier history when it was seen as a democratic counterweight to British influence, said Davood Bavand, a veteran Iranian diplomat and lecturer on international affairs. Iranians first perceived the United States as interested in building schools and hospitals, not, as was the case later, as preoccupied with selling weapons and controlling oil supplies, he said.

"It is in Iran's interests to solve these problems" with the United States, Bavand said, noting the almost daily discussion in the Iranian press and political circles about the need to modernize the country's technology and court more foreign investment. Iranian youth, the dominant demographic group in the country, meanwhile, chafe under Islamic social strictures, and, despite the threat of fines or imprisonment, are avid consumers of Western pop music and videos.

Bavand and others said Iran's domestic politics will make it difficult for any rapprochement to begin without a move by the United States such as unfreezing Iranian assets or ending an economic embargo so American technology and capital can begin to flow.

Anti-U.S. rhetoric and policies were a staple in the rise

to power of Ayatollah Ruhollah Khomeini, and remain a core principle of his successor as the country's supreme religious leader, Ayatollah Ali Khamenei. Under Iran's system of theocratically monitored democracy, Khamenei's power is greater than that of the elected president, Khatemi, and he retains explicit authority over Iran's relationship with the United States.

"On the day when the U.S. should praise us, we should mourn," Khomeini is quoted as saying in a sign along the outside wall of the former embassy, decorated still with a flowing mural depicting perceived U.S. misdeeds against Iran.

The country's conservative establishment won't easily let such a mainstay of their ideology fall, unless they can control the pace of any change, and take credit for a step that many Iranians would likely welcome, said Hamidreza Jalaie-Pour, publisher of a recently banned reformist newspaper.

"Conservatives in this country would not like Iran-U.S. relations to be normalized by the hand of Khatemi," he said. "They would want to normalize [relations] themselves."

Some motivation may come from the new parliament. With the legislature behind him, said new member Ali Reza Nouri, Khatemi may be more inclined to initiate better relations with the United States than he was a few months ago, when a conservative-dominated parliament questioned his every move.

"The youth want to involve themselves with the world's progress," and were a key constituency in the success of Khatemi and the reform candidates for parliament, Nouri said. "You can feel how curious they are. . . . They want to get involved with the outside world."

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But as last August gave way to September, democracy seemed like it might just have a chance. People continued to express their frustrations over the lack of personal security and the omnipresence of drug traffickers. The primary target of their dissatisfaction became the PRI, the political party that had been in power for 71 years.

The producers fed all of these sentiments from hope to mistrust into "El Candidato's" drama machine, creating a personal life for Santoscoy and filling it with turmoil too. He was ensnared in a dicey affair and was going to have to choose between his politically viable marriage and his ravishing mistress.

Viewers responded, with the telenovela gaining popularity as it tracked the fictional presidential race and Santoscoy, whose desire for change was calibrated to match those undercurrents sweeping through Mexico's real electorate.

"Finally, Ignacio Santoscoy was saying what every Mexican wants to hear, what you hear in the street. About security. About corruption," said Elisa Salinas, vice president of telenovela production for the show's network, TV Azteca.

But Santoscoy's maverick style and outspokenness were not unnoticed by authorities. The actor who plays Santoscoy, Humberto Zurita, was unexpectedly invited to dine with Zedillo several months ago. Zurita and his colleagues were convinced he would be questioned about the telenovela, but when he arrived at the presidential palace, Zurita was relieved to find himself among authors, actors, athletes and decision makers honoring the president of Nicaragua.

That wave of relief lasted only a few minutes. As he took his seat at the presidential reception, Zurita was grilled by a member of the government who wanted more details about the telenovela.

"(He asked) who Santoscoy is supposed to be and what would happen," said Juan David Burns, director of production for TV Azteca. "They wanted to know where the telenovela was going."

Where it was going depended on what was happening on the real campaign trail. Over the course of "El Candidato's" nine-month run on television, reality and drama were seamlessly plaited together into one media project. "El Candidato" became the first interactive telenovela in Mexico's history, changing its plot lines based on e-mails from viewers who wanted their hero to imitate, or reject, what was occurring in real life.

As one viewer wrote: "If the intent is to strengthen the image of change in the ruling party, it seems important to me that the candidate survive. ... It would be very disheartening for Ignacio ... to die like Colosio (Luis Donaldo Colosio, the presidential candidate who was assassinated in 1994) and not finish his candidacy."

Rosamaria Cabrera, 34, sat in front of her friend's tangerine-colored home, directly across from the memorial plaza to slain presidential candidate Luis Donaldo Colosio, where a large statue of Colosio waves his left hand at the people in a crooked row of homes etched into the hillside.

"They killed Colosio for telling the truth, but Ignacio (Santoscoy) will survive because he's in a telenovela, and he tells the truth," she said with a smile that revealed a tiny rhinestone on each front tooth. "The only good telenovela on is this one. The others are only about love, fighting, he leaves her, she leaves him. But this one is real. If he were a real candidate, I would vote for him." "El

Though there were rumors of pressure to end "El Candidato" before Sunday's election, TV Azteca executives insist their decision to wrap the telenovela in mid-June was not because of government pressure subtle or otherwise. They simply felt their show might unduly influence voters.

"We involved a lot of things from the real campaign and candidates, but we don't want to interfere with the elections," Burns said.

Victor Aviles, spokesman for the Federal Election Institute, which oversees Mexico's presidential election, said he has no method to measure the influence of "El Candidato" on voters, but he emphasized that there was no government pressure to conclude the story line before the election.

But just as the real elections ramped up to a feverish pitch, the producers of "El Candidato" decided to give the people a voice in their hero's fate.

Three endings were developed. In one, Santoscoy was

felled by an assassin. In another, he got the girl and the vote. In the third, viewers were reminded of the importance of exercising their right to vote. The plan was to cull through the e-mails and choose the ending that seemed to reflect the majority of viewers, who ultimately chose an ending that gave weight to the voting process.

While it might seem droll to have the hero ride off into the sunset as a civics lesson thunders in the background, "El Candidato" wrapped up on June 16 with just that. Ignacio's mistress said her love for him had nothing to do with the fact that she had just cast a vote for his opponent, then a montage of political heroes dating back to the 1920s rushed across the screen. A voice-over reminded Santoscoy's fans that their vote is the weapon of freedom and democracy.

"Instead of betting on a really melodramatic ending," says Salinas, "we finally created a conscience."

7-6-00

In a Shrinking World, Disease Anywhere Means Disease Everywhere

**By Benjamin A. Gilman and Sam Gejdenson
Special to the Los Angeles Times**

Every year, the United States spends more than \$230million immunizing its citizens against a disease, polio, that was eliminated in this hemisphere in 1994. But because polio still can be found about 5,000 current cases in other parts of the world, immunizations here must continue.

This is just one example of the heavy cost that international infectious diseases impose on Americans, the subject of our committee's hearing this week. Additional costs are incurred from strengthened pathogens that are resistant to drugs. For example, in the United States, it normally costs \$2,000 to treat a patient with tuberculosis. But that cost may be 100 times higher if the patient has drug-resistant TB.

As a result of the underuse of antibiotics in the developing world and the overuse in the developed world, viruses are developing stronger strains that are able to overcome standard antibiotics. A report by the World Health Organization released last week indicated that "almost all infectious diseases are slowly but surely becoming resistant to existing medicines."

These new, troubling developments come as our global economy and advancing technology make the world a smaller place. Last fall's outbreak of West Nile virus in New York state, which resulted in 62 cases of encephalitis and seven deaths, was the first time that the West Nile virus was identified in the Western Hemisphere. The appearance of the West Nile virus in dead crows found in New York and New Jersey in recent weeks means that federal, state and local authorities in Connecticut, New York and New Jersey once again must undertake comprehensive mosquito control measures to prevent another outbreak.

With one out of every two deaths in the developing world attributed to infectious diseases, the threats to economic growth and political stability are even greater there. In Zimbabwe, a pivotal country in southern Africa, political instability combined with an alarmingly high HIV infection rate 25 percent of women at some urban clinics test positive threaten to destabilize the entire continent.

The House of Representatives has taken action by passing bipartisan legislation that would authorize \$500million over five years for a World Bank AIDS trust fund. Yet much more needs to be done. Acute respiratory infections, such as pneumonia, kill 1 million more people each year than does AIDS. Four other killers diarrheal diseases, tuberculosis, malaria and measles combine with AIDS and respiratory infections to account for 90 percent of total infectious disease deaths worldwide.

While there has been vigorous political debate about the role the United States should play in multilateral issues such as peacekeeping and the international criminal court, we can be much more unified on the international public health crisis. The simple truth is that the United States cannot go it alone in the fight against international infectious diseases.

The WHO has estimated that the international community needs to commit \$1.5billion per year over the next 10 years for the medicines and prevention tools to stop the spread of the "Big Six" killer infectious diseases. The United States already is the world's major contributor to the WHO and other international health organizations. We must continue that commitment, urging our allies to follow our lead.

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The Summit Gamble

NEXT WEEK at Camp David, President Clinton will sit down with Israeli Prime Minister Ehud Barak and Palestine Liberation Organization Chairman Yasser Arafat to try to narrow the "significant differences" that remain between the two sides as they attempt to work out a final status agreement by the self-imposed target date of Sept. 13. "Significant" is Mr. Clinton's diplomatic understatement. The two sides remain far apart on such critical issues as the ultimate fate of Palestinian refugees, Israeli settlements on the West Bank and Gaza and the status of Jerusalem.

In recent weeks, the rhetoric on both sides has escalated. Mr. Arafat, emboldened by the European Union's promises of recognition, threatens to declare a Palestinian state on or before Sept. 13—deal or no deal with Israel. Mr. Barak says that Israel can respond with "unilateral" measures of its own—presumably including annexation of large chunks of the West Bank still under Israeli control. All too easily, this standoff could turn violent.

Mr. Arafat is digging in his heels at a time when Israel seems prepared to offer sub-

stantial concessions on one previously intractable issue, territory, in exchange for a final deal. Perhaps the Palestinian leader senses weakness, or even desperation, on the part of Mr. Barak, whose parliamentary majority is crumbling. Perhaps Mr. Arafat simply can't take yet for an answer on territory, since that would oblige him to compromise on issues (refugees, Jerusalem) about which most Palestinians are still disinclined to compromise.

Mr. Clinton's main objective, then, should be to push Mr. Arafat toward realism—even as he encourages Mr. Barak's flexibility. It is just possible that, if the two leaders are skillfully cajoled and pressed by Mr. Clinton, the summit could serve to defuse the short-term crisis. That will be hard enough. The larger goal—a detailed agreement to end the Israeli-Palestinian conflict once and for all—is harder still. Perhaps the best that can be hoped for is yet another "framework" agreement setting forth general principles that would govern such a settlement—followed by more talks. Even so, Mr. Clinton is right to risk a summit. There are risks to inaction, too; better to keep talking than to resume fighting.

Reducing Pharmacy Errors

FIVE-YEAR-OLD Brendan Ward's prescription called for 50 milligrams of imipramine per teaspoon. A technician at a Leesburg, Va., pharmacy prepared a syrup containing 250 milligrams. The pharmacist dispensed the medication without catching the error. Before putting him to bed on April 5, Brendan's mother gave him two teaspoons. The next morning, she found him dead.

Improperly filled prescriptions are not as rare as some may think. According to Post staff writer Maria Glod, state pharmacy boards estimate that between 2 percent and 5 percent of prescriptions filled last year included some sort of error, ranging from misspellings to dispensing or instruction mistakes.

What's worse, the 2 percent to 5 percent error rate is only a guess. The District doesn't keep track of errors. Drugstores in Maryland and Virginia aren't required to report mistakes either. Most state boards of pharmacy hear of errors only when customers bother to complain or through routine inspections. With the number of prescriptions expected to hit 4 bil-

lion by 2004, and given a shortage of qualified pharmacists, more mistakes are in the offing unless authorities find out and fix what is causing them.

Last year's Institute of Medicine report on deaths caused by the mistakes of doctors, pharmacists and others has spurred some action. Maryland is looking into a system of voluntary reporting. Virginia health officials are drafting a measure to set training and supervision standards for pharmacy technicians and are weighing reporting requirements. Congress intervened with legislation to promote voluntary reporting of medical mistakes, including prescription errors.

The industry will point out, correctly, that millions of prescriptions are safely filled every day. But state boards and regulatory authorities have been slow to act, too, as the non-profit Institute for Safe Medication Practices has noted. With an array of new and stronger drugs on the market, government regulators must come up with a better system to hold down prescription mistakes, and fast. One Brendan Ward is one mistake too many.

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Mission to Moscow

Clinton must lay the groundwork for a new relationship with Russia.

President Clinton's visit to Moscow next month will take place in anomalous circumstances. The new Russian president, Vladimir Putin, is developing policies intended to shape Russia's future. President Clinton, near the end of his eight-year term, must be careful not to foreclose his successor's options.

The difference in perspective is compounded by a gulf between the two leaders' perceptions of the nature of international politics. Putin has articulated a set of principles to enable Russia to resume the role of a great power and "to uphold its national interests in the international arena." The Clinton administration seems to believe that reform of Russia's domestic institutions is the major solvent to bring about stable Russo-American relationships. Hence its policy emphasizes constant exhortation regarding internal developments in Moscow. And its political agenda stresses a view of arms control that, if implemented, is certain to trigger a political explosion in this country.

This is the real gap that challenges the two leaders when they meet in Moscow. Great powers have interests that they seek to vindicate by their own efforts or to adjust by diplomacy. But the administration policy toward Russia has focused on Russia's domestic redemption. The Moscow visit can make progress if it begins the process of treating Russia as a serious power. It will fail if it becomes the occasion for disquisitions on Russia's domestic structure or for arms-control schemes doomed to failure in America.

Western leaders have pursued a dialogue with the new Russian president. They have showered him with accolades testifying to his intelligence and commitment to reform, and, somewhat condescendingly, as a "quick learner." In the process, they have abandoned the moral precepts they proclaimed less than a year earlier. Then, they justified their Kosovo policy as a new moral dispensation that would no longer ignore domestic repression as an internal matter. But when, six months later, Chechnya produced an almost precise replica of Kosovo with even higher civilian casualties, they changed their tune. The "freedom fighters" of Kosovo were transformed into "rebels" in Chechnya. President Clinton specifically approved Russia's right "to oppose violent Chechen rebels."

Having deplored excessive self-righteousness over Kosovo, I do not advocate it as a precedent for Chechnya. But the rapid oscillation in the West's foreign policy between extremes of moralism and expediency leaves a vacuum with respect to exactly what the new Russian leader is to be engaged about.

Our European allies have made clear their aim. It is to establish Europe as Putin's principal interlocutor during the formative period of the new Russian presidency and our presumed preoccupation with our own presidential campaign. Prime Minister Tony Blair claimed a role for Britain as "pivot" and applied it to the contentious issue of missile defense: "Our role is very much to build understanding of the various points of view, both of Russia and the United States"—not exactly a ringing endorsement of the American position.

The West has a stake in a peaceful and democratic Russia that would contribute to a more stable international order. And Russia is clearly in a historic transition. But history, culture and geography have left a legacy that cannot be removed by "dialogue" for its own sake. Throughout Boris Yeltsin's period in office, Western leaders acted as if they were a party to Russian internal politics. Ignoring a corrupt economy and autocratic governmental practices, President Clinton, on the occasion of Yeltsin's resignation, spoke of Russia as having emerged as "a pluralist political system and civil society competing in the world markets and plugged into the Internet." He explained Yeltsin's leaving office as "rooted in his core belief in the right and ability of the Russian people to choose their own leader." Almost every other observer viewed Yeltsin's resignation as a skillful manipulation of the Russian constitution in order to entrench as his successor a protégé practically unknown six months earlier. And in Russia, the Yeltsin era is widely viewed as a surrender to an American strategy to keep Russia weak.

In these circumstances, Clinton's journey to

Moscow is threatened by premises disproved by experience. "The president," announced his spokesman Joe Lockhart, "hopes to use his visit to speak to a broad spectrum of Russian leaders who are building new democratic institutions, civil society and a new market economy." But when heads of state meet, their goal should be to mitigate existing differences or indicate a specific direction toward cooperative relations. Lectures on domestic institutions often create, above all, the impression of American presumption and domineering.

Russian domestic reform is not a favor Putin does for America; it is imposed on him by reality, as he himself has pointed out. There are some ways we can and should help, but in the end, Russian domestic economic reform is a Russian internal problem that depends largely on Russian decisions.

The deepest foreign policy challenge posed by Russia is how a potentially powerful country with a turbulent history can evolve a stable relationship with the rest of the world. For four centuries, imperialism has been Russia's basic foreign policy as it has expanded from the region



around Moscow to the shores of the Pacific, the gates of the Middle East and the center of Europe, relentlessly subjugating weaker neighbors and seeking to overawe those not under its direct control. From the Holy Alliance to the Brezhnev Doctrine, Russia often has identified its security with imposing its domestic structure on its neighbors and beyond. Now reduced to the boundaries of Peter the Great in Europe, Russia must adjust to the loss of its empire even as it builds historically unfamiliar domestic institutions. The West does itself no favor by pretending that Russia already has culminated a process that is only in its inception or by celebrating Putin for qualities he has not been in office long enough to demonstrate.

Paradoxically, Putin may prove an effective interlocutor because he does not seem to play the game of appealing to our preconceptions. He emphatically does not share the Western assessment of Russia's internal evolution. In his seminal manifesto, published late last year, Putin declared that "it will not happen, if it ever happens at all, that Russia will become the second edition of, say, the United States or Great Britain. . . . For Russians, a strong state is not an anomaly, which should be got rid of. Quite the contrary, they see it as a guarantor of order and the initiator and the main driving force of any change." Putin explicitly reaffirmed Russia's imperial tradition in his inaugural address: "We must know our history, know it as it really is, draw lessons from it and always remember those who created the Russian state, championed its dignity and made it a great, powerful and mighty state."

This attitude was reflected in a Russian national security policy document adopted on Oct. 3, when Putin was prime minister: ". . . to create a single economic domain with the members of the Commonwealth of Independent States"—that is, all the former constituent republics of the Soviet Union (with the exception of the Baltics, which are nevertheless facing constant Russian pressure).

The document does not define what is meant

by a "single domain." Even were it possible to confine such an ambition to the economic field, it surely would be resisted by almost all the former subject states. But Russian policy under Yeltsin and, so far, under Putin has as one of its objectives to make independence so painful for those states—by the presence of Russian troops, the encouragement of civil wars or economic pressure—as to cause return to the Russian womb to appear as the lesser of two evils.

Thus the leader Clinton is about to meet seeks cooperation on economics, but in politics he will attempt to generate countervailing pressures to what he considers America's quest for domination. Russia is bound to have a special concern for security around its vast periphery, and the West should be careful about extending its military system too close to Russia's borders. But, equally, the West has a right to ensure that Russia will seek security by measures short of domination. If Russia becomes comfortable in its present frontiers—and with 11 time zones there is no obvious reason for claustrophobia—its relations with the outside world rapidly will normalize. But if the strengthening of Russia as a result of reform produces gradual encroachment—as, in effect, all its neighbors fear—Russia's quest for domination sooner or later will evoke Cold War reactions.

Thus for a discussion with Putin to be meaningful, Clinton needs to focus on two subjects. One is to ensure that Russia's voice is respectfully heard in the emerging international system. At the same time, President Clinton must stress—against all his inclinations—that geopolitics has not been abolished. America cannot remain indifferent to Russia's support of Iran's nuclear program, its systematic attack on American policies in the Gulf, especially in Iraq, and its eagerness to foster groupings whose proclaimed aim is to weaken so-called American hegemony. America should respect legitimate Russian security interests. But this presupposes a Russian definition of "legitimate" compatible with the independence of Russia's neighbors and such serious American concerns as proliferation of nuclear and missile technology.

President Clinton has implied another major objective on his visit to Moscow: a breakthrough on arms control, specifically regarding the ABM treaty, missile defense and reductions of offensive weapons. A word of caution is in order. The administration is highly uncomfortable with missile defense. If unavoidable for domestic reasons, it clearly prefers to squeeze it into a framework where it is confined to threats from so-called rogue states such as North Korea. Yet an ABM system aimed at North Korea also will be useful against a threat from China, and a strategic defense against China that omits Russia implies a definition of national security priorities that will profoundly affect all other international relationships. A lame-duck president should not attempt definitive breakthroughs on so controversial a subject.

As for offensive limitations, the administration is proceeding with the same avoidance of public and congressional consultations that wrecked the Comprehensive Test Ban treaty. There has been no public discussion or serious briefing with respect to the implications of a ceiling of 1,500 warheads that the administration reportedly seeks. How is this to be distributed among existing categories of weapons? Does it require different types of weapons? What is the relationship to missile defense? What would be the impact on global deterrence and foreign policy commitments? Among the priorities of a new administration must be to develop a nuclear strategy to answer such questions without resorting to stale numbers inherited from the Cold War.

While Putin is concentrating on the modernization of Russia, which has its own momentum, our challenge is to deal with its international consequences. And, in what is left of the Clinton administration, the best that can be achieved in this respect is to start, rather than conclude, a dialogue.

The writer, a former secretary of state, is president of Kissinger Associates, an international consulting firm that has clients with business interests in many countries abroad.

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When it comes to economics, the differences are hard to find

The realities of the global economy herd the presidential candidates to a common vision. But the public isn't sure.

By Susan Page
USA TODAY

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WASHINGTON — George W. Bush and Al Gore have been campaigning for months, spotlighting the differences they offer voters. But when it comes to the policies they believe will keep Americans employed and the nation prosperous, they could just as well be running on the same ticket.

Both candidates generally embrace free trade, endorse a balanced budget and agree that a first-class education system is a critical federal priority in a high-tech Information Age. Both lobbied for the controversial China trade deal that passed the House and is now before the Senate.

The consequence of this new consensus is a dramatically changed American political scene in which some century-old economic debates appear to be settled. There are still stark differences between the candidates — over how to bolster Social Security, for instance, whom to appoint to the Supreme Court and whether to develop an umbrella-like national missile defense system.

But on what is arguably the president's top foreign and domestic priority now that the Cold War is over — maintaining a strong national economy in a globalized system — the two candidates are in remarkable accord. That means they presumably would govern in similar ways in this arena as president because pursuing other policies

would jeopardize the confidence of global investors and the fundamental health of the U.S. economy.

That has robbed this election of some of its drama and sense of high stakes. It may be costing Gore credit he hoped to gain for having the experience to continue the current strong economy. For some voters, it may even raise the question: Does it really matter who wins?

Cover story

"It's very hard, extremely hard, to imagine either a Democratic or a Republican presidential candidate differing much on these issues," says Laura D'Andrea Tyson, dean of the business school at the University of California-Berkeley and an economic adviser to Gore.

"I would not say their views are identical, but there's a broad consensus in America, and they both reflect that consensus," says Larry Lindsey, a former Federal Reserve governor and the chief economic adviser to Bush.

There are naysayers to the general consensus that globalization not only is inevitable but also, all in all, a good thing for the country.

They include some conservative Republicans and liberal Democrats in Congress as well as the Reform Party's Pat Buchanan and the Green Party's Ralph Nader. Both third-party candidates warn of the impact of globalization on American workers and national sovereignty, but neither has managed to attract more than a few percentage points in national polls.

Embracing globalization

For the major-party contenders, an embrace of globalization, despite its complications and costs, has been dictated by the facts of life in the new economy.

"They realize that you can't fight the forces of globalization," says Robert Reischauer, a former director of the Congressional Budget Office who is now president of the Urban Institute. "They're like the rising tide."

In this new world, the discretionary powers of the presidency on some issues seem to be shrinking. Basic questions are settled regardless of the candidates' philosophical views on the size and role of government. The limitless global economy paradoxically has put the next and future presidents in a policy box.

That's a marked change from the big debates in other presidential elections over the past century, from the impassioned dispute over the gold standard in 1896 to the fevered clash on the perils and promises of the North American Free Trade Agreement in 1992.

Gone is the sense of clear choices that characterized the 1932 election between Herbert Hoover and Franklin D. Roosevelt over tackling the Depression, or the stark contrast in world view between internationalist Lyndon Johnson and aggressive nationalist Barry Goldwater in 1964. Even in 1980, Jimmy Carter and Ronald Reagan offered voters dramatically different approaches to managing the economy and asserting the U.S. role in the world.

"This election reminds me of the elections in the late 19th century when nobody remembers who those candidates were and who those candidates were, when the parties looked more alike than they were different," says presidential historian Robert Dallek, author of *Hail to the Chief: The Making and Unmaking of American Presidents*. "Of course, it's vastly different given the kind of global involvements the United States has and the enormous power of this country. But for all that, there are echoes of that time."

Dallek adds, "That's partly what makes this election so unexciting." A poll by the Associated Press last November found 24% wanted a Democrat for the next president

and 21% wanted a Republican. But the greatest number, 48%, said it made no difference who won the presidency this year.

1st 'new economy' election

This is the first presidential election of the new economy, the first national contest since both parties made significant adjustments to reflect the realities of the world in which most voters have access to the Internet and satisfying global investors looms as one of a president's primary concerns.

Among the changes:

► Just eight years ago, in 1992, candidates Bill Clinton and Al Gore

promised to "re-evaluate" whether to continue supporting most-favored-nation trading status with China because of human-rights concerns. They didn't mention balancing the budget in their 32-chapter campaign bible, *Putting People First*.

Now President Clinton sees extending normal trade relations to Beijing as a major achievement of his presidency. Gore pledges to fund campaign promises within the newly balanced budget.

► Just four years ago, in 1996, Buchanan made the second of two significant GOP presidential bids by denouncing the impact of NAFTA on manufacturing workers and decrying the loss of sovereignty to institutions such as the World Trade Organization. Congressional Republicans a year earlier tried to dismantle the Department of Education.

Now Bush has become the first Republican candidate since the Education Department was created to propose expanding its mission in financing local education programs

and demanding accountability from them. Buchanan has bolted the GOP to take his message of economic nationalism to the Reform Party.

► In the past, the machinations of the chairman of the Federal Reserve Board often have been the source of griping by one candidate or the other. But this year, Bush and Gore have lavished praise on chairman Alan Greenspan, a celebrity of the new economy, and joined in urging his reappointment.

In an interview with USA TODAY in his West Wing office, Gore said a new "Global Age" was being shaped by the Internet and the jet plane, satellite television and worldwide telephone service. The vice president called it the successor to the Cold War era.

"The world is much more connected than ever before," Bush said in a separate interview just after

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delivering a speech at Boeing in Seattle on the importance of trade. "I think we are in a new era."

Both candidates looked to the next generation of issues on the new economy with similar philosophies. Bush took a more *laissez-faire* approach than Gore on some issues, and Gore ruminated in greater detail on the challenges ahead from technological advances. But both said the private sector should be allowed to develop with minimal regulation while the government addressed issues including the "digital divide" between rich and poor and concerns about smut and privacy on the Internet.

One problem: The public isn't so sure about the path both major candidates have decided to follow.

Signs of hesitancy

A USA TODAY/CNN/Gallup poll conducted this month found an overwhelming 78% saying the "new economy" has been good for the nation, compared with 15% who said it had been bad.

But another USA TODAY poll conducted this spring asked, "Do you think free trade would be good for the United States because it helps the U.S. economy, or free trade would be bad because it costs the U.S. jobs?"

In response, 43% said good and 45% bad — a remarkable finding, given the almost universal view of economists that free trade has been an underpinning of the nation's current prosperity.

The responses presumably would be more negative if there were an economic downturn. A recession would fan fears that globalization means U.S. jobs will be shipped overseas and U.S. markets flooded with foreign-made goods. At the end of a recessionary period in 1992, Reform Party nominee Ross Perot managed to win 19% of the vote with a call to arms against NAFTA. In a strong economy four years later, he received just 8%.

"The oil that's spread on the rough sea of the global economy is prosperity," says Benjamin Barber, director of Rutgers' Walt Whitman Center for the Culture and Politics of Democracy. He has studied the societal effects of globalization in such books as *Jihad vs. McWorld: How Globalism and Tribalism Are Reshaping the World*. "If the econo-

my goes south or the speculative bubble on Wall Street bursts, you can be sure that could change very fast."

In today's poll-driven politics, on no other major issue is there such a disconnect between the public and the major parties. That divide has created a political opening for Buchanan and Nader and become a rallying cry for organized labor. Opposition to globalization sparked angry protests last fall in Seattle and this spring in Washington, D.C., when the WTO and the World Bank held meetings.

"If we can protect the international financial institutions, we can certainly find a way to protect the workers, and that's what our bottom line is," AFL-CIO President John Sweeney, who helped lead the protests, said in an interview.

But Buchanan and others acknowledge that their message isn't likely to resonate with many voters at a time of unprecedented prosperity, even if some are uneasy.

The USA TODAY survey that found such ambivalence about free trade also showed that one of five of those polled said they or someone in their household held a job that depended on trade. A separate survey by Democratic pollster Mark Penn found that 46% said they considered their work part of the "new economy."

"The same people who express those opinions (of concern about trade) say 'goodbye' to the pollster and then turn off their Yamaha hi-fi and get into their Toyota and drive to the store to buy some French cheese," Reischauer said. "Then they pick up their clothing, which has been made in China, Jamaica and India, from the cleaners."

Harder to act?

Bush and Gore say they see divisions in the country and within their parties that could bedevil the next president. Clinton could tell them how frustrating that can be: He failed to win "fast-track" negotiating authority for trade deals and had to engage in hand-to-hand combat to win on NAFTA and the China trade proposals. His 1993 economic package passed each house of Congress by a single vote.

"It's all too easy for those of us who feel that that logic is so compelling to feel that it's irresistible to the point where there's now a new

national consensus on this," Gore said. "I don't think there is."

Bush agreed. "There are some obviously in my party and some in the Democrat party, particularly the unions, trying to turn back the clock," he said, adding, "I don't think they'll be able to do so."

In *The Lexus and the Olive Tree*, his best-selling book on globalization, *New York Times* columnist Thomas Friedman says leaders around the world are constrained by what he dubs "the Golden Straitjacket," the one-size-fits-all policy prescription for free-market economies. That prescription includes free trade, budget discipline and minimal regulation. "As your country puts on a Golden Straitjacket, two things tend to happen: your economy grows and your politics shrinks," he wrote. Policy choices are limited within prescribed parameters.

"The confidence of global investors has become enormously important to domestic policy," says Robert Reich, a former Labor secretary who is now a professor of economics and social policy at Brandeis University. "Every world leader is now a carnival barker, seeking to attract investors to that leader's own nation, and every leader is potentially worried that investors will suddenly get up and leave."

Promises within budget

That line of reasoning helped sway Clinton during the first days of his first term as the requirements of the new economy were beginning to become clear. He re-

luctantly proposed an economic package that raised taxes and focused on trimming the budget deficit at the expense of new spending on social programs that he had promised during the 1992 campaign.

Now both major-party candidates promise to make their campaign promises fit within a balanced budget. Bush argues the surplus can support his \$1.3 trillion, 10-year tax cut without deficit spending. Gore makes the same argument for his proposed domestic spending programs.

"Because of the kind of globalized economy that we are now in, presidents don't have the kind of arbitrary decision-making power that they used to," presidential scholar Michael Beschloss says.

Economists warn that a president who dares to step outside the new policy consensus risks spooking global investors and souring the nation's economy.

Why?

► A budget deficit of any significant amount — say, when it reaches the levels of the mid-1980s, around 5% of the gross domestic product — would drive down the value of the dollar and drive up interest rates. That would slow growth and cost jobs. What's more, a drop in investment would curb gains in productivity, the main engine of the current prosperity.

► Tariffs or other barriers to protect U.S. industry would limit competition, resulting in higher prices and less choice for consumers. If the barriers violated WTO rules, sanctions could be imposed or retaliatory measures taken by other countries against U.S. industries, hurting economic growth.

► A second-rate education system could limit the availability of skilled workers for expanding e-commerce and other high-tech businesses. That would cost the USA the edge in innovation that has made it the capital of the new economy.

"In a global economy, investment capital and psychological confidence flow in the direction of countries that are willing to accept responsibility for making hard-nosed decisions: balancing their budgets, paying down their debt, investing in the future, investing in their people and harmonizing their fiscal and monetary policies," Gore says. "The principles are not new, but they have a new power in the global economy that increasingly characterizes this global age."

Bush insists that the vigor of the U.S. economy means that a president's choices aren't limited, at least not yet.

"Our economy is so strong now and we can attract capital because we are the most entrepreneurial and one of the most efficient markets in the world," the Texas governor says. "For the short term, I think the United States still has got pretty good leeway as to how we conduct our fiscal matters."

But as to whether future presidents will face policy constraints imposed by the new economy, he adds, "Maybe for the long term, that may be right."

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THE HUMAN BLUEPRINT | Matching Drugs to Genes

The Promise of Precision Prescriptions

*'Pharmacogenomics' Also Raises Issues of Race, Privacy*By Rick Weiss
Washington Post Staff Writer

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Unlike most doctors, Georgetown University physician and pharmacologist David Flockhart enjoys talking about his patients who didn't get better from the medicines he prescribed, or who got even worse because of side effects.

There was the woman who suffered excruciating pain after surgery no matter how much codeine he prescribed.

The patient whose tendons became so inflamed from taking a common antibiotic years ago that she remains debilitated to this day.

The woman who took Prozac only to find her blood pressure going through the roof.

Flockhart likes these sorry stories because they highlight the great potential of "pharmacogenomics," a new field of medicine he and others are pioneering that promises to reduce treatment failures by matching medicines to patients' personal genetic codes.

Among the many vaunted medical benefits promised by the Human Genome Project—the \$2 billion effort to spell out the entire human genetic blueprint, whose virtual completion is expected to be announced on Monday—none is as close to broad clinical use as pharmacogenomics.

The new science seeks to solve a simple but long-standing problem: Medicines are made

and sold on a "one size fits all" basis, even though people vary substantially in how they respond to those compounds. As a result of this variability, more than 100,000 Americans die every year from side effects of properly prescribed medicines and another 2 million are made seriously ill.

Now, with scientists identifying more and more genes that control individual responses to drugs, some leading-edge medical centers are starting to make prescribing decisions on the basis of patients' genetic makeup. Five years from now, some experts predict, it will be common for patients to take genetic tests before their doctors decide which drug, or what dose, to prescribe for them. That's far sooner than anyone expects to see similar success rates in the more widely touted but failure-plagued field of gene therapy, which aims to treat people by giving them new genes.

Drug companies, as well as patients, stand to gain from the pharmacogenomic revolution. By testing new and experimental drugs only in volunteers whose genes preordain a positive response, companies can generate data that will prove irresistible to the Food and Drug Administration, streamlining today's long and costly drug approval process. Some companies also hope to profit from sales of the genetic tests that will be used to match patients with appropriate drugs.

But like so many advances in genetics, pharmacogenomics raises difficult questions, too. As the first attempt to meld the contentious field of genetic testing with the everyday practice of medicine, it will serve as a test case of how society will deal with issues of genetic privacy and discrimination.

Many people are already nervous about their genetic profiles falling into the wrong hands, for example, but so far few people have had a reason to take such tests. How will people react when a genetic test is required just to get a proper prescription?

Of equal concern, some of the gene patterns relevant to pharmacogenomics are ethnically linked, raising issues of racial stereotyping and access to care. One fear is that profit-conscious pharmaceutical companies will use pharmacogenomics to aim their drug development efforts toward genetic subgroups of people who can best afford to pay for them, further marginalizing already underserved minorities.

"What happens when the patient comes in and says, 'I hear there's a great new drug for asthma,' and the doctor says... 'Yeah, but it's only for whites?'" asked Mark Rothstein of the University of Houston's Health Law & Policy Institute.

Pharmacogenomics alters medicine's legal landscape, too. At what point should doctors and drug makers be liable for not taking genetic information into account? Already a group of patients has sued the maker of a Lyme disease vaccine, claiming that people with a particular genetic signature should not have been given the vaccine because they are especially prone to getting serious side effects from the shot.

All told, experts said, pharmacogenomics presents a challenge to society for precisely the same reason it offers so much promise: because it focuses on people's differences.

"We believe strongly that this is a new era and the dawning of a golden age of personalized medicine," said Elliott Sigal, a senior vice president at Bristol-Myers Squibb, one of several pharmaceutical companies that have launched pharmacogenomics programs. "It does raise important issues for society in terms of privacy, discrimination and insurance issues," Sigal said. "I think the government will have to deal with these issues."

Custom Treatment

Flockhart's surgical patient presents a classic example of the need for pharmacogenomics. After undergoing surgery on her ovaries, she was given codeine, the most commonly prescribed painkiller in America.

"She wanted more and more of the stuff," Flockhart recently recalled. Before long, he said, "she was labeled a drug abuser."

The truth was far simpler. Tests ultimately showed she was among the 7 percent of Caucasians in this country who harbor an inactive form of a gene called CYP 2D6, which helps break down many common medicines, including codeine. Unable to metabolize the codeine into its desired breakdown product, morphine, the woman got no relief.

Flockhart's patient on Prozac had the same genetic variation, but in her case it led to an effective overdose instead of undermedication. That's because Prozac, like codeine, is also broken down with the help of the 2D6 gene. Since she could not metabolize the antidepressant, the woman suffered an overaccumulation of the drug, with high blood pressure and other side effects.

The patient with tendonitis carries a different gene variant that triggers painful inflammatory reactions in response to so-called quinalone antibiotics.

Scientists know of six common CYP drug-metabolizing genes, all of which operate in the liver and are responsible for breaking down about a dozen different drugs each. They have also begun to find other genes in other parts of the body, which people can inherit in various forms and which can affect how efficiently these people absorb, transport, use and excrete various medicines.

With the recent advent of simple tests that can reveal a person's genetic subtype from a drop of blood or a cheek swab, Flockhart said, "we're beautifully set up to look at variations in these things from person to person. It's a real opportunity to help a lot of people."

In a few settings, genetic testing is already helping doctors inform their prescribing decisions and

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even save lives.

At the Mayo Clinic in Rochester, Minn., for example, Richard M. Weinshilboum and his colleagues have been using genetic tests to individualize treatments for children with acute lymphoblastic leukemia.

The childhood cancer was universally fatal a few decades ago, but with the advent of a drug called 6-mercaptopurine, more than 80 percent of children can now be permanently cured. In the years since that drug's introduction, though, two problems have plagued doctors: Why doesn't the drug work in every child, and why does it cause serious and even fatal side effects in some?

The answers finally arose with the tools of pharmacogenomics.

Mercaptopurine, it turns out, is broken down in the body by an enzyme abbreviated TPMT. But 10 percent of Caucasians and blacks carry a variant of the TPMT gene that renders the crucial enzyme relatively ineffective, and an additional one in 300 of these children lack the gene and the enzyme altogether. (The variant is almost unknown in Asians.) Unable to metabolize the drug, these children essentially overdose on even small doses, and often die from the immune system suppression that ensues.

At the Mayo Clinic and at St. Jude Children's Research Hospital in Memphis, doctors now routinely test for TPMT activity in leukemic children before treating them. Children with especially high levels of the enzyme—who are, in essence, breaking down the drug before it has a chance to kill their cancers—are given doses up to 50 percent higher than normal in order to get a therapeutic effect. And those who are effectively overdosing on the drug because of their relatively inactive TPMT genes are getting doses as low as one-fifteenth normal, providing all the anti-cancer efficacy of a normal dose but without the extra side effects they once endured.

One result of the new focus on pharmacogenomics is that old definitions of diseases are breaking down. Cancers, for instance, which have traditionally been classified by their location in the body, are increasingly being typed further by their genetic characteristics and drug sensitivities, and medicines are being developed to take aim at those hallmarks. Experts predict that in the next few years a bevy of new genetic tests will show that many other diseases also deserve to be parsed and targeted according to their genetic signatures.

"We're going to learn it's not just 'MS,' or multiple sclerosis," said Kathleen Giacomini, a University of California at San Francisco researcher who is identifying genes that affect drug absorption and transport in the body. "It's going to be MS a, b, c and d. And we can develop new drugs for each of these types."

Philosophical Shift

The driving force behind the emergence of pharmacogenomics is a little-known follow-up project to the widely hailed Human Genome Project. Unlike the genome project, which sought to spell out a generic "consensus" version of the human genetic sequence, the follow-up project seeks to define the subtle differences in that code from person to person.

The goal is to identify hundreds of thousands of "single nucleotide polymorphisms," or SNPs (pronounced "snips"), which are the tiny spelling variations that occur about once in every 500 to 1,000 letters within the 3 billion-letter human genetic code.

The recent shift by federally funded and privately financed gene researchers away from the genome project and over to the search for SNPs represents more than a scientific change of course. It brings with it a philosophical change of perspective that will focus not on people's similarities but on their differences.

That shift is necessary if personalized gene-based medicine is to take off. But it also brings new possibilities for genetic bias and discrimination.

The great promise of pharmacogenomics is that it will target drugs and therapies to individuals," said Morris Foster, a University of Nebraska anthropologist who is studying the field's potential impact on society. "But the way it may work out is it will just end up emphasizing social identifiers like race and ethnicity... and exacerbate social inequities."

Not all of the genetic variations that affect how a person will respond to various drugs track along racial or ethnic lines. Indeed, doctors could easily run into trouble if they try to use race as a substitute for genetic testing: Think how many people might suppose that Tiger Woods is African American or Caribbean, one geneticist said, when in fact his mother is Thai.

But many relevant genes do correlate with race. While only 7 percent of Caucasians have the 2D6 variant that caused problems for some of Flockhart's patients, for example, more than one in four Asians carry a similar variant.

Those realities present interesting economic and ethical quandaries.

On the economic side, pharmaceutical companies could save millions of dollars by preselecting participants in a clinical trial so that virtually everyone benefited and no one got side effects.

"Efficacy could be proven in small cohorts of a few hundred patients compared to 3,000 or 5,000 as we do now," said Gualberto Ruano, chief executive officer of Genesance Pharmaceuticals, a Science Park, Conn., company that is developing genetic tests to predict people's responses to various drugs. "This is going to change the economics of drug development radically."

It would also reverse the current federal regulatory push to include more diverse groupings of people in clinical trials—a push that arose a few years ago in response to concerns that minorities were being left out of the drug approval process. Under the new rubric of pharmacogenomics, though, expert reviewers might deem it unethical to test a new drug on people whose genes suggest they won't respond well to the drug, since those participants' sole purpose would be to demonstrate side effects.

At the same time, any drug that gained approval through such a process would have proven its mettle only in people with a narrow genetic or racial grouping, and would probably be approved by the FDA only for use in those people.

"That could be a problem," said Larry Palmer, a professor at the Cornell University Law School who is studying the legal implications of pharmacogenomics. "You know the drug companies are go-

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ing to market it as best they can. And the average practitioner may use it without the deep understanding of the science needed to use it appropriately on the right individuals."

Moreover, given the chance to focus their efforts this way, would companies even bother developing drugs for people with rare genes? It's too soon to say, but there is some evidence that some might not.

About five years ago, for example, pharmaceutical giant Merck & Co. was supporting a small Seattle company called Ostex International to develop a test that could identify women at high risk of osteoporosis. The hope, said Gilbert S. Omenn, executive vice president for medical affairs at the University of Michigan, was to use the test as a marketing tool for Merck's new bone-building drug, Fosamax, which Merck hoped to sell widely to post-menopausal women.

But when early studies with the test indicated that only half of all postmenopausal women might actually need the drug, Omenn said, Merck pulled out of the partnership and left the little company in a state of near financial ruin, from which it is now recovering.

"Merck wanted to say that as soon as women get menopause they should take these drugs," said Thomas O. Bologna, Ostex's CEO. Rather than use an objective test to measure real need, Bologna said, "they decided to rely on salespeople to convince physicians to convince patients to use these drugs."

A Merck spokeswoman said the company's withdrawal from Ostex was not related to marketing concerns but came out of a decision to focus solely on the treatment of osteoporosis, not on methods for diagnosing it.

Others said that even if the big drug companies do end up focusing only on the most common genetic subpopulations, there are plenty of small biotechnology companies that would be happy to find niches that cover even 5 or 10 percent of the population.

Another hurdle that pharmacogenomics must clear is public wariness of genetic tests—especially among minorities, who have traditionally been more mistrustful of such tests.

Proponents say gene tests that predict a person's response to a medicine should not be as controversial as other kinds of gene tests that predict, for example, a person's long-term odds of getting a fatal disease.

"It's not the same as telling someone that they're going to get Alzheimer's disease someday, which freaks people out," said Kathleen Giacomini, the University of California at San Francisco researcher. "This is a more people-friendly kind of genetic test."

A handful of companies are counting on that attitude, and are already developing kits that people will be able to use at home to see which versions of several key drug-metabolizing genes they've inherited. At least one company, PPCx Inc. near Research Triangle Park, N.C., hopes to offer at-home test kits by the end of this year, said the company's CEO, Josh Baker.

If genetic tests prove as essential to the art and science of prescribing as proponents believe, it may come to pass that for some drugs, at least, anything less rigorous than individualized dosing will be considered malpractice.

Last winter, several patients brought a class action suit against SmithKline Beecham, the maker of a Lyme disease vaccine, claiming that the company should have warned people about evidence that the shot can cause a severe form of arthritis in certain people.

Federal records show that the FDA advisory committee that recommended the vaccine's approval spent considerable time looking at preliminary evidence that people with a genetic hallmark called HLA-DR4 might be especially likely to experience the severe reaction.

Ultimately, however, the researchers who tested the vaccine for SmithKline convinced the officials that the data were too weak to believe. Now, in what may be the first intersection of pharmacogenomics and the law, they will have to defend that conclusion in court.

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Charges of Bias Challenge U.S. Death Penalty

By RAYMOND BONNER

WASHINGTON, June 23 — In the current debate over the death penalty, the focus has been largely on the states, primarily Illinois, whose governor has declared a moratorium, and Texas, which puts more inmates to death than most countries and whose governor, of course, is running for president.

This has allowed the Clinton administration to remain largely above the fray because there has not been a federal execution in nearly 40 years. Although Vice President Al Gore favors the death penalty, he has not faced the tough questioning that Gov. George W. Bush has, and Mr. Gore has said little other than that he does not see the need for a federal moratorium.

But the case of a condemned migrant worker may soon call attention to the federal capital punishment system.

Juan Raul Garza, a migrant farm worker and high school dropout who was convicted seven years ago of marijuana smuggling and three drug-related murders in Brownsville, Tex., is scheduled to be executed on Aug. 5. It would be the first federal execution since John F. Kennedy was president, when a man was put to death by hanging in Iowa for kidnapping and murder.

The Garza case raises broad and, for many, troubling issues about the application of the federal death penalty, most specifically, whether race and geography determine who is sentenced to die at the hands of the United States government.

Seventeen of the 21 federal prisoners facing the death penalty are members of minorities, and federal prosecutors in a dozen Southern states have accounted for more than half of the federal cases in which the death penalty has been sought.

Mr. Garza's lawyers have exhausted their legal appeals and are turning to the court of public opinion and politics. They have enlisted the American Bar Association, which in a highly unusual move last month, called on President Clinton to declare a moratorium on federal executions.

Mr. Garza wants to ask the president for clemency. But his lawyers said they are facing some formidable handicaps.

Although the Constitution gives presidents absolute authority to grant clemency and presidents could do so on their own at any time, they rarely do.

And while the procedure for seeking clemency in noncapital cases is

clear, the procedures in capital cases are still being drafted, Mr. Clinton said in February.

The absence of clear guidelines, Mr. Garza's lawyers believe, severely hampers their ability to make an effective case for clemency.

"We're really between a rock and a hard place," said Gregory Wierciuch, a lawyer with the Texas Defender Service, who has been representing Mr. Garza in his appeals. "A lot of the information we want to put in the petition, we don't have. It's in the hands of the government."

This included a government study on whether race is a factor in applying the death penalty in federal cases. The Justice Department has turned down Mr. Garza's request for the study or the raw data that the department has gathered. A department spokesman said the study had not been completed and the data would not be made public.

Mr. Garza's lawyers have also requested information on how the Justice Department has handled other capital cases. There are a dozen cases like Mr. Garza's — multiple drug-related murders — in which federal prosecutors did not seek the death penalty, including six in New York, Mr. Wierciuch said.

He wants to know why the death penalty was sought in Mr. Garza's case, and he believes race was a factor. Of the 27 defendants against whom the Bush administration sought the death penalty for drug-related killings, including Mr. Garza who was convicted after Mr. Bush left office, 23 were African-American or Hispanic, Mr. Wierciuch said.

In 1994, when Congress was considering sweeping death penalty legislation, Attorney General Janet Reno said in a letter to a congressman who opposed the death penalty that the department was developing procedures that would allow for the disclosure of its capital prosecution decisions "so that the public can review and understand the basis for such decisions."

A Justice Department official said this week that the procedures had not yet been adopted.

After the Supreme Court declared in 1972 that the death penalty, as it was then being applied, was unconstitutional, states quickly adopted laws that the court upheld. But Congress spent the next 16 years struggling to find a way around the court's concerns. In 1988, Congress adopted what has become known as the "drug kingpin statute," which allows for the death penalty against an individual who commits murder as part of a larger drug enterprise.

Six years later, in 1994, Congress enacted the Federal Death Penalty

Act, which expanded the crimes for which a defendant could be executed. They included the assassination of the president, large-scale drug trafficking even when no one is killed, drive-by killings, sexual abuse resulting in death and destruction of a plane, train or motor vehicle resulting in death.

Federal law requires the appointment of two lawyers for an indigent defendant facing the death penalty,

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at least one of whom must be experienced in capital cases. As a result, claims of ineffective assistance of counsel do not mark the federal system, as they do many states, such as Texas, where defendants have been represented by lawyers who have slept through trials or have otherwise displayed gross incompetence.

The principal concerns about the federal death penalty are whether it is being applied fairly and uniformly.

Since 1988, the Justice Department

Concerns about whether a law is being applied fairly.

has allowed the death penalty to be sought against 199 defendants, according to the Federal Death Penalty Resource Counsel in Columbia, S.C. Seventy-six percent of those defendants are minorities, and 52 percent are African-Americans.

Of the 21 federal inmates currently facing execution — including Timothy J. McVeigh, who was convicted in the Oklahoma City bombings — about 82 percent, or 13, are African-Americans. This is a greater percentage of blacks on death row than in all but four states: Maryland, Louisiana, Illinois and Pennsylvania. In Texas, by contrast, 41 percent of the death row population is black, and in Alabama, 46 percent, according to the Death Penalty Information Center, a private organization in Washington that opposes the death penalty.

"If some back county in the South had the same kind of numbers, the

Department of Justice would be down here investigating, handing out indictments," Mr. Wiercioch said.

In an interview last week, Mr. Gore said, "The question of racial disparity is right now being investigated thoroughly within the Justice Department."

He added that the factors that led Columbia University researchers to raise questions about the death penalty in a recent study, like prosecutorial misconduct and incompetent defense counsel, "are the kinds of mistakes that could conceivably have a connection to racial attitudes in the aggregate."

In his letter to Mr. Clinton on May 2 calling for a federal moratorium, the president of the American Bar Association, William G. Paul of Oklahoma City, urged a "comprehensive examination of the federal death penalty that would not be limited to the question of racial discrimination." The bar association has not taken a position for or against the death penalty.

There are glaring geographic disparities in the application of the federal death penalty law.

Fourteen of the 21 defendants on federal death row, in Terre Haute, Ind., are from three states — Texas, 8; Virginia, 4, and Missouri, 4.

Under a system put in place by Ms. Reno, United States attorneys who file charges in which the death penalty is a possibility are required to send a memorandum to the Justice Department for review by a four-member committee, the Capital Case Review Committee. The system is intended to ensure uniformity and fairness in the application of the death penalty.

Yet, from 1994 to 1999, one-third of the United States attorney's offices did not file a capital prosecution re-

quest, a former member of the review committee, Rory K. Little, wrote in an article in the Fordham Urban Law Journal in March 1999.

Mr. Little noted that federal prosecutors have considerable discretion but he said this suggested that the federal death penalty was not being applied uniformly.

"It is difficult to believe that not a single murder in those 11 states since 1994 was a possible candidate for federal prosecution," Mr. Little wrote in the article, "The Federal Death Penalty: History and Some Thoughts About the Department of Justice's Role." He went on: "There are, sadly, gang-related killings in every urban center in America, and drug-related killings occur not only in Miami, but also in urban centers such as New York, San Francisco, Chicago and Seattle."

In a telephone interview, Mr. Little, a former federal prosecutor who is now a professor of criminal law and legal ethics at Hastings College of Law in San Francisco, said he was not an "emotional opponent" of the death penalty, but that he had "grave misgivings" about the way it is administered by the states.

On the federal level, he said, further study was needed before a judgment could be made. He added: "In my view, it isn't fair that if somebody who commits a bank robbery and a guard dies is going to get the death penalty if it happened in Texas, but someone who does the same thing in Massachusetts isn't."

He said he was aware of a case in Missouri that was very similar to Mr. Garza's in which the government did not seek the death penalty.

Mr. Garza was accused of being a major drug dealer and convicted of smuggling more than 1,000 kilos of marijuana from Mexico between 1982 and 1992, as well as of three murders.

At the punishment phase of Mr. Garza's trial, prosecutors introduced testimony that Mr. Garza committed four murders in Mexico. But he has never been prosecuted for the murders.

"In the history of the modern death penalty, we are unaware of any case where prosecutors introduced evidence of unadjudicated foreign crimes at the penalty phase," said Bruce W. Gilchrist, a lawyer with Hogan & Hartson, who has joined Mr. Garza's defense team pro bono.

Federal courts have rejected the claim that the testimony violated Mr. Garza's constitutional protections. But the Inter-American Commission on Human Rights, a body of the Organization of American States, is investigating whether it violated the American Declaration of the Rights and Duties of Man, which the United States has signed.

Pending the outcome of that investigation, the organization has called on the Clinton administration to delay Mr. Garza's execution.

In February, Senator Russell D. Feingold, Democrat of Wisconsin, sent a letter to the president and Ms. Reno asking them to suspend federal executions, and he has introduced legislation calling for a national moratorium on the death penalty.

The New York Times

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THE WHITE HOUSE
WASHINGTON

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Does Pig Pen have a way to better health?

Excessive cleanliness, city living may be leaving us susceptible to allergies

By Steve Sternberg
USA TODAY

Until 200 years ago, hay fever was unheard of. When London doctor John Bostock described the first cases in 1828, he made a curious observation: "I have not heard of a single unequivocal case among the poor." By 1871, Londoner Charles Blackley had proved hay fever is triggered by pollen. Why then, he wondered, do farmers and their families have "the fewest cases of the disorder?"

The two men had instinctively stumbled upon what is now one of the hottest questions in allergy research: Can too much clean living make people sick? Or put another way, is a little bit of dirt a healthy thing? Known as the hygiene hypothesis, this notion holds that growing up in cities, insulated from nature, makes people more susceptible to allergies, asthma, certain autoimmune diseases and perhaps even diabetes.

Why? Because good hygiene leaves the body's immune system underemployed and looking for something to do. Soon, the immune system begins overreacting to pollen, animal dander and other ordinarily harmless substances.

"The immune system learns from experience," says Inui Cohen, an immunologist at the Weizmann Institute of Science in Rehovot, Israel. "If it doesn't get the right kind of practice, it develops imperfectly."

The hygiene hypothesis implies what many historians have come to believe: that our problems with allergies began not when mankind entered the garden but when mankind was banished from it. And this exile began, not in biblical times, but in the 1800s during the Industrial Revolution.

The hypothesis represents an attempt to explain a troubling increase in allergy and asthma in developed nations. The Federal Centers for Disease Control and Prevention in Atlanta has reported that asthma rates in the USA have increased by 75% since 1980, with cases in children during the same period mushrooming by as much as 160%.

No one knows why, but scores of researchers are vying to find out. "It's a fashionable subject," says Philippa Marrack of the National Jewish Medical and Research Center in Denver.

Marrack, one of the world's leading immunologists, illustrates her point with an improprio search of recent medical literature. In the past three years, she says, scientists have published more than 6,000 research reports examining the apparent links between civilized living and allergies and asthma.

Is house dust good for you?

Although many doctors suspect that excessive cleanliness may play a role in the upsurge of allergies, they don't recommend people throw away the soap or dump the vacuum cleaner bag on the carpet — at least, not yet. "We don't quite have the smoking gun," Marrack says. "But we're close."

For parents wondering whether they should let their kids romp in a barnyard or hide them from germs, Marrack says: "There's probably a middle way, but we don't know what it is, a middle way between locking a child in an aluminum shed and exposing the child to lots of germs. There's some reasonable middle ground here — which is what people do anyway."

Driving the research explosion is an even more ba-

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sic question: How does the immune system distinguish "self," the proteins that are made in the body, from "non-self," the proteins that are not? How does it learn which ones represent a threat to survival and which do not?

If researchers can answer these questions, they could learn not only to prevent allergic disease, they could begin to harness the immune system to fight a host of diseases, including cancer.

A study led by one of Marrack's colleagues, Andy Liu, offers the most intriguing evidence yet that the best protection against allergy or asthma may be exposure to a bacterial molecule in house dust.

The molecule, known as endotoxin, occurs naturally in every bacterium's outer envelope. Thus, endotoxin is released into the environment any time bacteria die.

"Early childhood exposure to endotoxin may be the common thread in communities where asthma and allergies are uncommon," says Liu, whose study appeared in the May 11 issue of the journal *Lancet*.

Endotoxin somehow protects

Liu's team studied the homes of 61 infants from 9 months to 2 years old. All the children were tested for sensitivity to dust mite, cat, dog, cockroach, mouse, milk, egg and soy. Doctors also determined the endotoxin concentrations in each house, by testing house

dust collected from the child's bed, a couch, and floors in the living room, kitchen and bedroom.

Of these children, 51 tested negative for sensitivity to those irritants. Moreover, they had the highest concentrations of endotoxin in their homes, suggesting that exposure to endotoxin somehow protects against allergic disease.

"The study supports the thesis that exposure to endotoxin early on has an impact on the subsequent development of the immune system," says David Sacks, a parasitologist at the National Institutes of Health in Bethesda, Md.

Marrack asserts, however, that it will take many more studies to furnish proof. "Studies of this type are usually done multiple times before the medical establishment makes up its mind," she says. "It's a beginning."

A matter of immunity

Liu says he decided to test for endotoxin because a flurry of recent studies suggested that people in rural areas are less likely to develop allergies or asthma than people living in cities. Those studies included:

- An analysis of the prevalence of asthma in 1,375 urban and rural children from the Xhosa tribe in southern Africa. More than 3% of the city-dwelling Xhosa children had asthma, compared with 0.14% of rural children.

- An assessment of asthma prevalence in children living on the Pacific atolls of Tokelau and in Tokelauan children living in New Zealand, a more modern environment. Only 11% of the 706 Tokelauan children living on their home atolls had asthma, compared with 25% of Tokelauan children living in New Zealand.

- A study in Basel, Switzerland, showed that children of part-time farmers had a 76% higher risk of hay fever and allergy than those of full-time farmers, suggesting that the greater exposure to livestock and the farm environment can be more protective.

Although endotoxin is found in high concentrations in nature, Liu says, it's also found in urban settings because bacteria are everywhere. Moreover, researchers had previously demonstrated that endotoxin can prime the immune system to respond to allergy-causing substances.

To understand how this occurs, consider the workings of the immune system.

More than just the sum of its parts, the immune system is a highly coordinated network of millions of white blood cells that attack and kill invading microbes. At the top of the heap are T cells, specialized

white blood cells that are capable of distinguishing self from non-self and coordinating the human immune response.

T cells come in many varieties. Some act as dispatchers, squirting out potent signaling molecules that can activate and deactivate other immune cells. Some T cells are capable of killing virus-infected cells. Without T cells, no one could survive for very long. Witness the effect of AIDS, caused by a virus that kills T cells.

Allergy, too, is a T-cell disorder, but it is very different from AIDS. Allergy might best be thought of as a case of arrested T-cell development.

At birth, the immune system relies on T cells to block deadly germs from so much as entering the body's cells — by generating a set of immune responses that also happens to drive allergic responses to foreign proteins.

Later in life, the immune response changes dramatically, and T cells develop the ability to attack cells even after they have been infected. This set of responses depends on practice, which comes from exposure to the proper foreign proteins at the appropriate stage of immune development.

"It's like the brain," says Cohen of the Weizmann Institute. "If a child doesn't get the proper visual or auditory input at the proper time of life, he'll have a speech or hearing problem, even if the brain is normal."

'Being protective' has saved lives

Cohen has become one of the more outspoken advocates of a radical notion that immune deprivation may also lead to autoimmune diseases, such as multiple sclerosis or early-onset diabetes.

Although many researchers dispute this, arguing that infections can tilt the immune system toward self-destructive, autoimmune responses, Cohen says his evidence suggests the opposite.

"The more mice are protected from (microbial) contamination, the higher their incidence of autoimmune diabetes," he says.

Most privileged children nowadays get far fewer serious infections than they did two centuries ago. Vaccinations, antibiotics and better sanitation have virtually done away with plague, typhoid fever, cholera, diphtheria and polio. Smallpox, once a harrowing rite of passage for almost everyone, has been eradicated.

That's a good thing, doctors say, even if it leaves people susceptible to immune imbalances later in life. "What we're seeing now may be a consequence of being too protective," Marrack says. "But being protective has kept a lot of children alive."

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LETTERS TO THE EDITOR

Biodiesel: The Other Alternative

The June 25 *Close to Home* article "Alternative Buses" promoted alternative fuels for the area's public buses. But contrary to its contention that natural gas is the only practical alternative for bus fuel in the near future, another solution could be initiated tomorrow.

At the U.S. Department of Agriculture's Agricultural Research Service center in Beltsville, we have been conducting a demonstration project for 11 months on the use of biodiesel as an alternative to petroleum diesel. This project uses B20 (a blend of 20 percent soybean-derived oil and 80 percent petroleum diesel) to fuel all F43 diesel engines on station, in-

cluding a bus, trucks, tractors and an assortment of other equipment. B20 can also be made from a number of crop oils as well as from animal fats and spent restaurant grease.

B20 has proven effective and complication free. It reduces a number of gaseous emissions and particulate matter and does not require the purchase of new vehicles or any engine modification. B20 could be used in all Washington Metropolitan Area Transit Authority buses tomorrow.

KON KORCAK

Associate Director
Beltsville Agricultural Research Center
U.S. Department of Agriculture

Beltsville

Let All Parties Be Heard

E. J. Dionne Jr. acknowledges the valuable role of third parties but still wonders if they should be allowed in the presidential debates (opened, June 30). This isn't rocket science. Why is it that we can put a man on the moon but can't come up with a way to elect our president that allows voters to vote for their favorite candidate, allows multiple candidates to run and present their issues and ensures that the winner has majority support? The real fault lies with our presidential election method (also used to elect our congressional and state legislatures), which allows a candidate to win whether he or she has majority support or not. It defies the principle of "majority rule." If we used a runoff election or an "instant runoff," which elects a majority winner in one round, the "spoiler" problem would go away. Why not criticize our election method instead of the candidates?

JOHN C. STRAWN

Spokesperson and Coordinating
Committee Member
Green Party of California

Santa Barbara, Calif.

I disagree with any decision by the Commission on Presidential Debates that would limit election debates to the Democratic and Republican candidates. Many more issues face this country than are being addressed by the two main candidates. To limit debates as proposed is a form of censorship and a restriction of free speech. I request that my tax dollars be used to include at least the Reform Party candidate and possibly the Green Party candidate.

C. J. O'CONNELL
Stevenson Ranch, Calif.

Executive on the Front Line

The June 25 *Insider's Guide* ("Where Lincoln Meets the Enemy," Style) was quite interesting.

But John G. Leyden's statement that Abraham Lincoln "became the only U.S. president to come under enemy fire during wartime" is not true. Although Lincoln's rather foolhardy visit to Fort Stevens on July 12, 1864, resulted in a close call from the shot of a rebel sharpshooter, it was not the first (or only) such occurrence. On Aug. 24, 1814, during the War of 1812, President James Madison

joined the hastily assembled militia at the beginning of the brief skirmish known as the Battle of Bladensburg.

The poorly trained, under-equipped Americans were easily routed, and the British proceeded into Washington to burn the Capitol, the White House and other federal buildings. But the long-forgotten fact is that Madison was the only president to truly function as commander in chief on the battlefield while in office.

EDWIN R. SMITH
Bladensburg

The Boy Scouts Ruling

I am disappointed by the Supreme Court's ruling in *Boy Scouts of America v. Dale*. I am an Eagle Scout and an assistant scoutmaster, and I have no problem with a homosexual man participating in my troop.

The Supreme Court has not only reaffirmed discrimination in this country but also established a presumption that gay Boy Scout leaders will sexually molest their scouts. This presumption is what drives the homophobic leaders of the Boy Scouts of America to ban membership of gays.

I find it abhorrent that the United States touts its civil liberties, while attempting to remove those liberties from people who have a different sexual orientation from most of the pop-

ulation. The majority should rule with a merciful hand. We can grow together as a nation, but this cannot be easy when discrimination against "different" people continues.

NICHOLAS BRICKSON
Arlington

As a former Boy Scout, I applaud the Supreme Court ruling in *Boy Scouts v. Dale*. Scouting always has had the underlying message that certain principles, when enacted in daily life, form and build character. One of these is religion.

The foundation of the Boy Scouts is in Judeo-Christian values but embraces all religions as helping the individual find his way in a world of difficult choices. Scouting has never taught intolerance but has set forth some moral guidelines. If one believes something is right, one stands up for it. Otherwise, how can one keep oneself "physically strong, mentally awake and morally straight."

MARK PAVKOV
Edgewater

The Supreme Court decision allowing the exclusion of gay adults from serving as scoutmasters cited the Boy Scouts of America's status as a "private institution." But for a young boy who wants the scouting experience, what other organization can offer as much as the Boy Scouts?

Further, do those who run the Boy Scouts believe that they can prevent a boy from growing up gay by removing homosexuals from his line of vision?

Thousands of young boys who will grow up to be "open, as well as homosexuals" are already enjoying merit

badges in this most American of institutions. Will they be ousted next? Will scouts who are members of the United Church of Christ, Reform Judaism or the Quakers still be eligible for the Scouts' God & Country Medal if they are not taught to condemn their homosexual neighbors?

Many parents mistakenly think that their children are now "safe" from homosexuality and possibly molestation. Many others, however, won't be able, in good conscience, to allow their young sons to participate in an officially exclusionary group such as the Boy Scouts.

ERIC C. PETERSON
Washington

Letters must be exclusive to The Post, must be signed and must include the writer's home address and day and evening telephone numbers. Because of space limitations, published letters are subject to abridgment. Although we are unable to acknowledge letters we cannot publish, we value the views of those who send us their comments. Letters should be addressed to Letters to the Editor and may be hand-delivered, submitted via U.S. mail or via our e-mail address at letters@edwashington.com.

The Washington Post

THURSDAY, JULY 6, 2000

~~Re: Buses~~
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in DC

7-6-00

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see letter
JP

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*Heard
JWW***J. VIRGIL WAGGONER**

July 6, 2000

00 JUL 7 AM 12:08

Honorable William Jefferson Clinton
The President of the United States
The White House
1600 Pennsylvania Avenue, NW
Washington, D.C. 20500-2000

Dear Mr. President:

On March 20, 1998, two days before your arrival in Ghana to visit President John Rawlings, our group, Phyto-Riker Pharmaceuticals (GIHOC) closed on the purchase of Ghana's Government owned pharmaceutical facilities. This finishing plant has ten integrated lines to produce generic medical pills and capsules and can literally produce billions of pills per year.

Importantly, we currently produce and sell the cotrimoxazole 400/80 pills (best known as Bactrim and was patented by Roche Pharmaceuticals for treatment of urinary infections, bronchitis and a type of pneumonia - and is currently off-patent). During April of this year, at an African HIV and AIDS conference of U.N. AIDS and World Health Organization, the experts reported that cotrimoxazole was a very inexpensive and effective drug to prevent HIV from becoming AIDS, for the 23 million infected Africans. The dosage is six pills per week (312 per year) and can be purchased for less than \$10.00 per patient per year. Our Ghanaian facility could be the supplier of choice to control the HIV-AIDS epidemic in Africa.

I believe your administration is currently asking the U.S. Congress to increase our current spending up to \$250 million in next year's budget, to fight HIV and AIDS abroad. With an appropriate agreement, Phyto-Riker could rapidly increase our production, add and train employees to produce the best quality standards, generic cotrimoxazole, to meet the needs of infected Africans.

Recently, I have contacted Ambassador Joseph V. Reed, at the U.N. and Dr. Joseph Perriens, at the U.N. AIDS program in Geneva, seeking their help and advice. A word from you to the U.N., or advice to me on how best to proceed would be most appreciated.

Sincerely,

J. Virgil Waggoner
J. Virgil Waggoner
JVW:sf

7-6-00

To NSC for reply?
Yes ☒ No ☐

B.

1111 Bagby, Suite 2420 - Houston, Texas 77002
Voice: 713.651-3003 - Fax: 713/651-0732

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FAX

Date: July 6, 2000
Name: ATTN: Betty Curry
Organization: The White House
Fax: 202/456-1210

From: Susan Freeman
Fax: 713/651-0732
Subject: HIV/AIDS
Pages: 2

Dear Ms. Curry:

Mr. Larry Wallace has spoken to you about Mr. J. Virgil Waggoner's concerns about the AIDS epidemic in Africa. The following letter will explain more about his concerns.

Thank you for your help.

Sincerely,



Susan Freeman
Secretary to J. Virgil Waggoner

HARRY REID
NEVADA



UNITED STATES SENATE
WASHINGTON, D. C.

00 JUL 6 AM 10:40

June 30, 2000

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

*Glen Maes -
W.H. Mess
will get another
certificate.*

Dear Mr. President:

A friend of mine wrote to me regarding the dilemma of a very good friend. Patrick Chabert was honored to prepare a dinner for President Clinton and other guests at a fundraiser held in Chicago on May 19th of this year.

He, along with his associate, Michel Coatrieux, were very pleased to receive "Certificates of Appreciation" from the White House Mess. To his dismay, the certificates sustained major water damage on their way to the protection of a glass covered framing. Copies of the damaged certificates are enclosed.

Would it be possible to send them new certificates to replace the damaged ones. Please send the certificates to my Executive Assistant:

Mrs. Janice Shelton
Office of the Assistant Democratic Leader
United States Senate
The Capitol, S-149
Washington, D.C. 20510

*Hi Betty!
This is one of Sen. Reid's
requests
Thanks!*

Janice Shelton
Executive Assistant to the
Assistant Minority Leader

Senator Harry Reid
Assistant Minority Leader
United States Senate

The Capitol, S-149
Washington, DC 20510
(202) 224-2158
Fax: (202) 224-7362

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reply
Send to ~~RM~~
Yes ☒
No ☐*

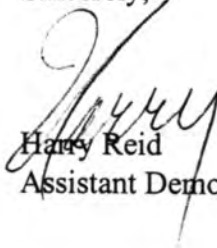
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new certificates sent*

The President
June 30, 2000
Page Two

Should you have any questions, please contact Janice
Shelton at 224-7004.

Thank you for brightening the day for Patrick Chabert
and Michel Coatrieux.

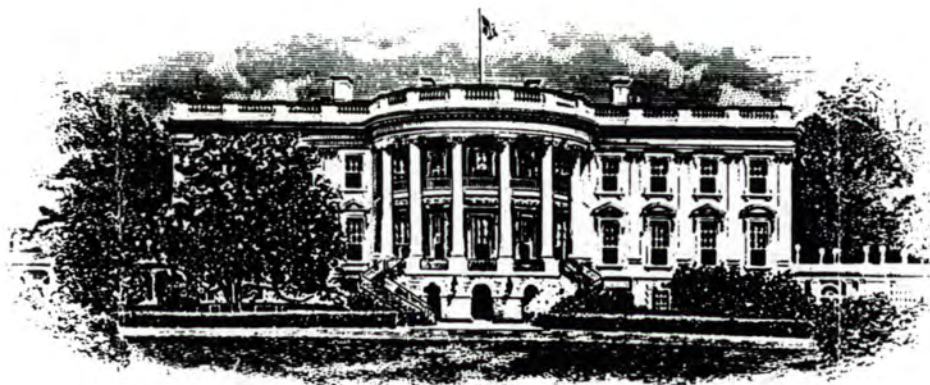
Sincerely,

A handwritten signature in dark ink, appearing to read "Harry Reid", is written over the printed name and title.

Harry Reid

Assistant Democratic Leader

Enclosure(s)



THE WHITE HOUSE MESS
CERTIFICATE OF APPRECIATION

CHEF PATRICK CHABERT
Awarded to

CHEF PATRICK CHABERT

The men and women of The White House Mess wish to express their sincere appreciation for the outstanding support you provided to the President of the United States during his visit.

Your unique abilities, coupled with your superb attitude and professionalism enabled us to provide superior service to the President and the White House Staff.

27 MAY 00

Date

19 MAY 00

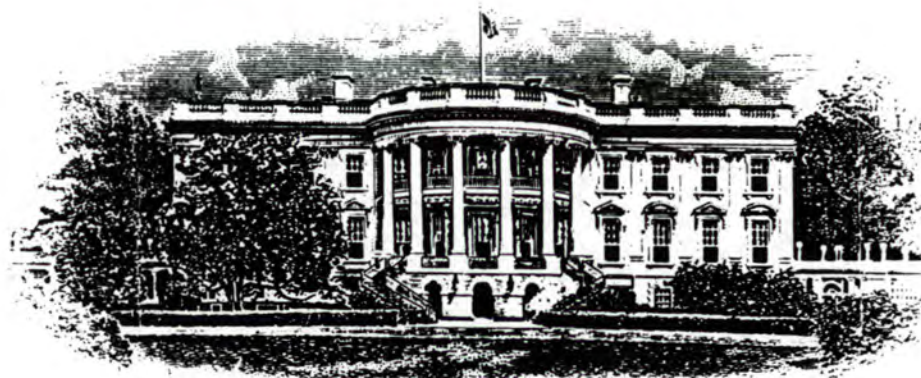


[Signature]

Command Master Chief

[Signature]

Presidential Food Service Coordinator



THE WHITE HOUSE MESS

CERTIFICATE OF APPRECIATION

MICHEL COATRIEUX
Awarded to

MICHEL COATRIEUX

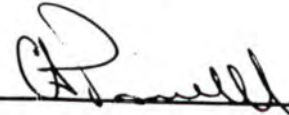
The men and women of The White House Mess wish to express their sincere appreciation for the outstanding support you provided to the President of the United States during his visit.

Your unique abilities, coupled with your superb attitude and professionalism enabled us to provide superior service to the President and the White House Staff.

Date

19 MAY 00




Command Master Chief


Presidential Food Service Coordinator



Rosa & Raymond Parks Institute for Self Development
65 Cadillac Square Suite 2200 Detroit, MI 48226 (313) 965-0606 Fax (313) 894-3566

DAN B -
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W/ THIS ORIGINAL
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for Self Development, which I co-founded with Elaine Eason Steele, in honor of my husband.

Again, I strongly encourage Judge Keith's selection as a Presidential Medal of Freedom recipient.

Please give my best to the family.

With warm regards,

Rosa Parks

Rosa Parks

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Rosa & Raymond Parks Institute for Self Development
65 Cadillac Square Suite 2200 Detroit, MI 48226 (313) 965-0606 Fax (313) 894-3566

June 25, 2000

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

Dear President Clinton:

'00 JUL 6 AM 8:35

I hope you and your family are well. We continue to pray for you.

I am adding my name to the list of Judge Damon J. Keith admirers and people of good will who would like to see him receive the Presidential Medal of Freedom. His legal decisions have moved us closer to equality. In his civic and community life, his collection of African American Legal History, the first of its kind, is outstanding. Judge Keith's appointed chairmanships for celebration, reflection and review of the Bicentennial of the Constitution of the United States by Chief Justices Burger, Rehnquist and later President Bush, documents his devotion and commitment to this country.

It was nice to be with you at the Thurgood Marshall Federal Judicial Center in February, 1999, when the *Marching Toward Justice* exhibit opened in Washington D.C. I thought you might like a picture of us together at the event, so I have enclosed one. Since that time, the exhibit, which you like so well, has traveled to federal courthouses in New York, Philadelphia and Newark. It is now at the Howard Metzenbaum Courthouse in Cleveland, and will soon appear in federal courthouses in Los Angeles and San Francisco.

Finally, I should note that Judge Damon Keith is a respected role model for our youth. A Detroit Public School is named in his honor, and he continues to advise and support Rosa and Raymond Parks Institute for Self Development, which I co-founded with Elaine Eason Steele, in honor of my husband.

Again, I strongly encourage Judge Keith's selection as a Presidential Medal of Freedom recipient.

Please give my best to the family.

With warm regards,

Rosa Parks

PLEASE
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'00 JUL 6 AM8:36

7800 Beverly Boulevard • Los Angeles, CA 90036
phone: 323-575-5000 • fax: 323-575-2685

To: Betty CurrieFROM: ANN EDELBERGAt: The White HousePHONE: 323-575-4528FAX: 202-456-1210FAX: 323-575-4296

CC: _____

PAGES: 6 (including cover)RE: The President on PI

7/6/00

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e that I can do, or that you may require,

Thanks!



'00 JUL 6 AM 8:36

7800 Beverly Boulevard • Los Angeles, CA 90036
phone: 323-575-5000 • fax: 323-575-2685

To: Betty Currie

FROM: ANN EDELBERG

At: The White House

PHONE: 323-575-4528

FAX: 202-456-1210

FAX: 323-575-4296

CC: _____

PAGES: 6 (including cover)

RE: The President on PI

NOTE/MEMO:

Betty:

Thank you in advance for all of your assistance.

You are truly as kind and generous as Elizabeth is always saying, even taking the time to listen to my stories this afternoon.

I have included some additional information on the show for your perusal.

Please let me know if there is anything else that I can do, or that you may require, to make this happen.

Thanks!



P

President William Jefferson Clinton
c/o Ms. Betty Currie
West Wing, First Floor
The White House
Washington, DC 20500
Via facsimile: 202-456-1210

June 29, 2000

Dear Mr. President:

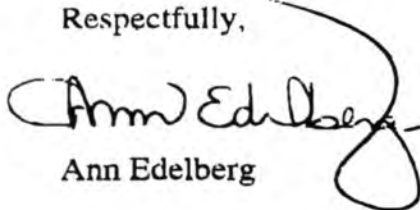
It was wonderful to see you again last week in Los Angeles. Bill Maher and I were honored to be included in your recent event. Everyone there noted the mutual fondness between the two of you.

As we have discussed, Bill would be grateful for a one-on-one interview before you leave Office. As suggested in prior conversations, we would be happy to visit the White House on a Saturday morning and conduct the interview following your radio address. Naturally, it would be in everyone's best interest if this project could take place before the fall election campaign kicks into full swing.

Of course, we will do everything to make this as easy and uncomplicated as possible. As we need not point out, your doing an interview with *Politically Incorrect* would be a privilege for Bill and mean so much to all of us.

I look forward to hearing from you. If you have any thoughts or concerns, please do not hesitate to let me know. I can be reached directly at 323-575-4528.

Respectfully,



Ann Edelberg

7800 Beverly Boulevard Los Angeles, CA 90036

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Politically Incorrect with Bill Maher is one of television's most provocative and funny shows. Maher is placed at the center of a wildly diverse panel of four from the worlds of politics, music, media, literature, and entertainment who, through heated debate ingeniously instigated by Maher, puncture both the liberal and conservative views about the hottest issues of the day.

Each evening, Maher brings together an unlikely quartet of guests - from Senators to drag queens, musicians to actors, authors to activists - to discuss the day's burning issues, such as "Can a person be justifiably fired for being too beautiful?", and "Is Clinton the Democrat's Reagan?"

Called the "Best talk show on television" by TV Guide, *Politically Incorrect* is the winner of four CableACE Awards for Best Entertainment Host and Best Talk Show, and has been nominated for four Emmy Awards.

Some of the program's past guests include: DAVE MATTHEWS, MARILYN MANSON, BEN AFFLECK, WOODY HARRELSON, GLORIA ESTEFAN, COOLIO, SAMUEL L. JACKSON, BILLY BOB THORNTON, TODD RUNDGREN, CINDY CRAWFORD, ICE CUBE, JERRY SEINFELD, WYNONNA, ROBBIE ROBERTSON, MICHAEL DOUGLAS, ROBERT KENNEDY JR., HALLE BERRY, AND LARRY FLYNT.

Since its ABC premiere in January 1997, following Ted Koppel on *Nightline* (12:05-12:35 p.m., ET) *Politically Incorrect* has proved itself a powerful ratings competitor among late-night programs.

**ABC PICKS UP "POLITICALLY INCORRECT WITH BILL MAHER"
THROUGH YEAR 2000**

The ABC Television Network announced that it has renewed "Politically Incorrect with Bill Maher" through December 2000. This will bring the show through its fourth season on the network.

"Politically Incorrect with Bill Maher" is up 12% year to year among total viewers, up 16% among adults 18-49 and 14% among adults 25-54. The show is in a virtual tie with Letterman in the 12:00-12:30 a.m. half-hour among total viewers, with only 10,000 viewers separating the two shows. Last year at this time, Letterman's lead was 21% (600,000). Additionally, "Politically Incorrect with Bill Maher" is the only nightly network entertainment program that is up year to year based on the May sweep.

Also, "Politically Incorrect with Bill Maher" has reached its highest in-pattern clearance level at 80% of the country. In the past six months, the show's clearances have been upgraded in markets including in Miami, Cleveland, Tampa and Atlanta.

"Politically Incorrect With Bill Maher," is one of television's most provocative and funny shows, placing Maher at the center of a wildly diverse panel of four from the worlds of politics, media, literature and entertainment. Through heated debate ingeniously instigated by Maher, guests discuss various opinions about the hottest issues of the day.

"Politically Incorrect with Bill Maher" was created by Bill Maher. Executive producers are Bill Maher, Scott Carter, Nancy Geller, Brad Grey, Bernie Brillstein and Marc Gurvitz. The program, which premiered on ABC on January 6, 1997, originates from Los Angeles and is produced by Brillstein Grey Entertainment and HBO Downtown Productions, in association with Buena Vista Television. (CLOSED-CAPTIONED)

ABC Media Relations: Jennifer Solari, (310) 557-7421

-ABC-

A

Fringe Ratings Report: ABC Late-Night Programming

May 11, 2000

Week of April May 1, 2000

**With Episodes Originating Inside the Walls of Maricopa County Jail
"Politically Incorrect" Tallies its Best Week of the Year 2000,
Showing Strong Increases Over its 2nd Quarter Average**

In New York, "P.I." Scores its Highest Weekly Ratings of the Season

**In Philadelphia, "Politically Incorrect"
Reigns as the No. 1 Late Night Program for 10 Weeks in a Row**

National Ratings:

ABC's late-night series, "Politically Incorrect with Bill Maher," delivered an average audience of 3.00 million viewers for the week of May 1, 2000, according to Nielsen Media Research. "P.I." had an average audience of 1.64 million Adults 18-49 and 1.72 million Adults 25-54. With a week of shows broadcast from inside Maricopa County Jail in Arizona, "Politically Incorrect" saw its national delivery soar.

- "P.I." notched its best weekly results in 18 weeks among Viewers, Adults 18-49 and Adults 25-54 - since the week of December 27, 1999.
- Compared to its 2nd Quarter Average, "Politically Incorrect's" weekly delivery jumped up 13% in Total Viewers (3.00 million vs. 2.66 million), up 20% among Adults 18-49 (1.64 million vs. 1.37 million) and up 19% among Adults 25-54 (1.72 million vs. 1.44 million).

Highlights in the Live Metered Markets:

ABC's "Politically Incorrect" averaged a 3.4 rating, 10 share in the 32 overnight markets where the program airs live, up 6% from the prior week's average (3.2/9).

- In 3 markets, "Politically Incorrect" ranked as the No. 1 late-night program in its time period, including Philadelphia (4.0/11), Atlanta (4.7/13) and Charlotte (4.5/16). In fact, "Politically Incorrect" has been the No. 1 late-night program for 10 consecutive weeks in Philadelphia and No. 1 for 3 consecutive weeks in Atlanta.
 - In Charlotte (4.5/16), "Politically Incorrect" matched its highest ratings of the season.
- In 8 markets, "P.I." earned the No. 2 position in its time period, including New York, Detroit, Cleveland, Sacramento, Portland, San Diego, Raleigh-Durham and Norfolk.
 - In New York (4.2/11), "P.I." scored its highest ratings of the season.

Top 10 Markets

Compared to its May 1999 delivery, "Politically Incorrect" is up in 5 of the 7 Top 10 markets where the program airs live: New York +14% (4.2 vs. 3.7), Los Angeles +35% (3.1 vs. 2.3), San Francisco +21% (2.3 vs. 1.9), Detroit +27% (5.2 vs. 4.1) and Atlanta +2% (4.7 vs. 4.6).

Source: NTI, week of 5/1/00, or as dated. 2nd Quarter average=3/27-4/30/00. NSI, Metered Markets 5/1-5/5/00.

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-- ABC --



WINNER OF CableACE AWARDS'
 "BEST TALK SHOW SERIES" Three Years in a Row
 "BEST ENTERTAINMENT HOST" Bill Maher

Michael Douglas
 Rev. Jerry Falwell
 Kathleen Turner
 Joan Rivers
 Lisa Loch
 Oliver North
 John Malkovich
 Carol Alt
 Gov. Frank Keating
 Cindy Crawford
 Roseanne
 Ben Affleck
 Dana Carvey
 Russell Simmons
 Peri Gilpin
 Coolio
 Shawn Colvin
 Rep. Joe Scarborough
 Elle McPherson
 Pamela Anderson Lee
 Gov. Christie Todd Whitman
 Michael Moore
 Camille Paglia
 Garry Shandling
 Alec Baldwin
 Anne Rice
 John Waters

Sen. Orrin Hatch
 Jay Leno
 Michael Korda
 Janeane Garofalo
 Stephen Jay Gould
 Clive Barker
 Alan Dershowitz
 Deepak Chopra
 Roshumba
 Dr. Andrew Weil
 Marilyn Manson
 Arianna Huffington
 Kathy Ireland
 Charlton Heston
 Halle Berry
 Ray Manzarek
 Lynn Redgrave
 Larry Flynt
 John Frankenheimer
 Erica Jong
 Seth Green
 Al Franken
 Jerry Seinfeld
 Gay Talese
 Sam Donaldson
 Tim Allen
 Rep. Jack Kingston

Robert Kennedy, Jr.
 George Stephanopoulos
 Mercedes Ruehl
 Ralph Nader
 Illeana Douglas
 Simon LeBon
 Roger Daltrey
 Naomi Judd
 Veronica Webb
 John Irving
 Don Henley
 Martin Short
 William Shatner
 Dee Dee Myers
 Cornel West
 Mark Hamill
 Stanley Crouch
 Rep. Matt Salmon
 Gov. William Weld
 Master P
 Frances Fisher
 Dr. Wayne Dyer
 Tony Danza
 Oliver Stone
 Christiane Amanpour
 Pierre Salinger
 Morley Safer