



00 SEP 27 PM 3:51

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Oakland, CA 94607
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Suite 101
Atlanta, GA 30303
Phone: 404-525-5663 or 5666
Fax: 404-525-5233

Detroit Bureau
First National Building
30 Woodward Ave.
Suite 1433
Detroit, MI 48226
Phone: 313-963-9005
Fax: 313-963-9012

TO		FROM
NAME: Hon William J. Clinton		NAME: Rev. Jesse L. Jackson, Sr
TITLE: President		TITLE: (202) 333-5270
ORGANIZATION: United States of America		TELEPHONE:
FAX: 456-1210		FAX:
DATE: 9-27-00	TIME:	# OF PAGES (INCLUDE COVER) 03

COMMENTS
Re: Very Urgent.

CONFIDENTIALITY NOTICE

THIS FACSIMILE MESSAGE IS INTENDED ONLY FOR TH TO WHICH IT IS ADDRESSED, AND MAY CONTAIN CONFIDENTIAL. IF THE READER OF THIS MESSAGE EMPLOYEE OR THE AGENT RESPONSIBLE FOR DELI RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY DIS THIS COMMUNICATION IS STRICTLY PROHIBITED. IF I IN ERROR, PLEASE NOTIFY THE SENDER IMMEDIAT ABOVE, AND RETURN THE ORIGINAL MESSAGE VIA ABOVE ADDRESSES. YOUR COOPERATION IS APPRECI

9/27/00

Send to NSC? ☒ Yes ☐ No

for reply Yes ☒ No ☐

BCS (circled)

Send to Cohen? Yes ☒ No ☐

(The NSC Phg is on table.)

Rev. Willie T. Barrow, Co-Chair of Board of Trustees • Dennis River
Janice L. Mathis, General Counsel
Rev. Jesse L. Jackson, Founder & President
www.RainbowPush.org



MEMORANDUM

TO: President William Jefferson Clinton

FROM: Reverend Jesse L. Jackson *JLJ*
Special Envoy for the Promotion of Democracy and Human Rights in Africa

Cc: Secretary of State Madeleine Albright

RE: Request for Liberian Deferred Enforced Departure

DATE: September 27, 2000

National Office
930 East 50th Street
Chicago, IL 60615
Phone: 773-373-3366
Fax: 773-373-3571

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Suite 1277
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660 Woodward Ave.
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Detroit, MI 48226
Phone: 313-963-9005
Fax: 313-963-9012

I am writing to recommend that the U.S. government grant Deferred Enforced Departure (DED) status for the more than 10,000 Liberians in the United States whose Temporary Protective Status (TPS) expires on September 29, 2000. Forced deportation would simply be wrong, and I appeal to you to use your authority as President to grant DED status to these Liberians. This recommendation is based on three principle assessments:

- **Renewed Violence within Liberia and the Sub-region**

There has been renewed violence between government troops and local Liberian dissidents in Kolahun, Voinjama, Zorzor, and Lofa County. Border clashes have also erupted between Liberia and Guinea, in violation of a non-aggression pact signed a year ago by both countries, killing dozens including a UN aid worker, in the past two weeks. These unfortunate events have led to growing instability in Liberia.

Steps have to be taken to consolidate peace, both within and beyond its borders, and to develop its physical and economic infrastructure. Liberia has a long way to go and the country needs time to put in place mechanisms to ensure that returnees will be integrated securely into the socioeconomic and political life of the country.

- **Inadequate Macroeconomic Infrastructure**

Liberian repatriation is necessary for the sustained development of the country. However, in its current state the Liberian economy is not prepared to absorb a sudden influx of citizens, many of whom will be leaving skilled and secure jobs for almost certain unemployment. Given time to make the necessary macroeconomic reforms and to attract investment and development,

- Liberia will be greater prepared to take advantage of the skills and leadership that returnees have to offer.
- **Continued Need for Remittance Payments**
Currently, many Liberians living in the United States use their incomes to provide vital financial resources to relatives in Liberia. A cessation of this assistance would cause further hardship for Liberians.

Liberia has the potential to serve as a beacon of hope for peace and stability in the region. As such, Liberia needs U.S. support, and DED is one form of assistance that we can extend as Liberians face the challenging process of post-war reconstruction.



**MISION PERMANENTE DE BOLIVIA
ANTE LAS NACIONES UNIDAS**

211 E. 43RD ST. - SUITE 802
NEW YORK, N.Y. 10017

00 SEP 27 PM 3:51

New York, 11 September 2000

9/27/00

To His Excellency
William J. Clinton,
President of the United States of America

Send to NSC?

Yes ☒
No ☐

Dear Mr. President:

Please allow me the daring informality of
Excellency, in order to send you a small
appreciation for your understanding of the
effort to eradicate the excedentary coca field

cu

It is extremely difficult to imagine a present that may seem adequate to
give to the President of the United States, whatever the occasion. But your
words last Friday, when you had the kindness to offer the President of
Bolivia your willingness to consider a 10 year program for the development
of my country, and your compliments on the tie I wore at the time, I am bold
enough to think, allow me to send it as a gift to you.

I only hope you will preserve it as a memento of the auspicious occasion,
and that it may remind you of the invitation President Banzer issued of
helping him uproot the last coca bush in my country.

Allow me, Excellency, to convey to you the heartfelt thanks of eight million
Bolivian citizens, and of the generations to come, that will bear your name
in their hearts.

Please accept, Mr. President, the assurances of my highest and most
distinguished considerations,

Alberto Salamanca
Ambassador, Deputy Permanent Representative



00 SEP 27 PM 3:51

**MISION PERMANENTE DE BOLIVIA
ANTE LAS NACIONES UNIDAS**

211 E. 43RD ST. - SUITE 802
NEW YORK, N.Y. 10017

New York, 11 September 2000

To His Excellency
William J. Clinton,
President of the United States of America

Dear Mr. President:

Please allow me the daring informality of addressing this letter to your Excellency, in order to send you a small token of admiration and appreciation for your understanding of the Bolivian people's immense effort to eradicate the excedentary coca fields.

It is extremely difficult to imagine a present that may seem adequate to give to the President of the United States, whatever the occasion. But your words last Friday, when you had the kindness to offer the President of Bolivia your willingness to consider a 10 year program for the development of my country, and your compliments on the tie I wore at the time, I am bold enough to think, allow me to send it as a gift to you.

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Alberto Salamanca
Ambassador, Deputy Permanent Representative



SOFIA YANK BASSMAN

00 SEP 27 PM 3:45

ber 26, 2000

Dear President Clinton,

In a little over a month it will be Jared Alexander Bassman's Bar Mitzvah. He's a seventh grader at Sidwell (his older brother, Zack, was in Middle School when Chelsea was in Upper School) and I'm working very hard to make his big day very special for him.

I know The White House does have an office for special greetings, but I'm looking for a little more: I'm trying to compile a clip reel of those who can't come: I've asked his orthodontist, Jerry Orchin, to send in a tape. Likewise his preschool teacher, Doris, as well as an old family friend, Ambassador Ed Gabriel, who is sending personalized video greetings from the Moroccan desert complete with Berber band in the background.

I realize your schedule is crammed, but if you could find the time to say "Jared, have a great Bar Mitzvah," on 8mm tape, digital tape, we would be so very grateful. If by some remote possibility, you and Mrs. Clinton or Chelsea would like to join us at Adas Israel or the Sequoia Restaurant (on land, I was just trying to have some fun with the invitation) at about 7:45 p.m., we would be delighted to have you. I have introduced myself several time (along with a cast of thousands) at the Sidwell auctions when you were there. I would need to have the tape no later than October 14th.

This is a dream letter, but dreams do come true and you never know unless you try.

Have enclosed the current "yarmulke" making the rounds, but if you're coming, I'd try to get one that says, "I'm STILL President."

Thanks so much and

Very best regards,

Sofia Bassman

Sofia Bassman
Jared's Mom

Scheduling

9127100
Send to *Delia*
Scheduling
Yes ☒
No ☐

cc: scheduling and

SOFIA YANK BASSMAN

00 SEP 27 PM 3:45

September 26, 2000

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Thanks so much and

Very best regards,

Sofia Bassman
Sofia Bassman
Jared's Mom

Scheduling

9127100
Delia
Send to *Scheduling*
Yes ☒
No ☐
cc: scheduling cool

9-26-00

THE WHITE HOUSE
WASHINGTON

September 22, 2000

*copied
Podesta
Lindsey
Original to
Cohen for
Reply*

✓
MEMORANDUM FOR THE PRESIDENT

FROM: BRUCE R. LINDSEY *[Signature]*

RE: LYNN COLEMAN

Attached is a letter from Lynn Coleman, Sylvia de Leon's husband, following-up on a conversation you had at Mack McLarty's house last week.

Do it

9-26-00

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP

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WASHINGTON, D.C. 20005-2111

TEL: (202) 371-7000

FAX: (202) 393-5760

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DIRECT DIAL
(202) 371-7600

DIRECT FAX
(202) 393-5719

September 13, 2000

BY HAND DELIVERY

The President
The White House
Washington, DC

Dear Mr. President:

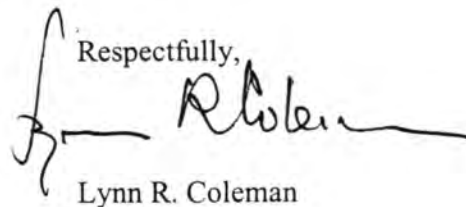
It was great to see you last night at Mack's affair for Mike Ross.

Concerning your question on whether anything can be done to moderate heating oil prices, I would say that prompt effective action using the Strategic Petroleum Reserve for limited crude oil swaps should have a favorable impact on heating oil prices as well. Heating oil is made from crude oil, and its pricing generally follows the crude oil market. There can be market peculiar gyrations and seasonal variances related to inventory, but over any reasonable time the product markets reflect the crude market. So, if SPRO swaps, plus the extra oil production from OPEC, reduce crude prices, some favorable result in the heating oil market might be expected.

Attached is an editorial in today's New York Times, by a friend of mine, Philip Verleger. He too is an old Carter energy hand who has studied these markets more than anyone I know. His point that you have the ability to affect the oil price equation is I think well taken.

Best of luck,

Respectfully,



Lynn R. Coleman

LRC/klo
Attachment

Opinion

EDITORIALS | OP-ED | LETTERS

The New York Times
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September 13, 2000

[✉ E-Mail This Article](#)

Taking Power Over Oil

By PHILIP K. VERLEGER JR.

NEWPORT BEACH, Calif. -- The cost of oil is rising again, and the conventional wisdom in the industrialized countries is that prices can only come down if OPEC increases oil production. President Clinton, meeting with the Saudi crown prince, Abdullah, last week in New York, followed this line, cautioning the prince that high oil prices threaten the global economy. The finance ministers of European Union nations echoed his warnings and called on OPEC to pump more oil.

Listening to these politicians or to spokesmen of the American oil industry, one might conclude that the entire problem is the fault of the Organization of Petroleum Exporting Countries. OPEC did, indeed, cut production in March 1999, when oil prices were around \$10 a barrel, and in reaction to the reduced supply, prices more than tripled. **But the West is not powerless in the pricing of oil.**

For decades, American strategy has been dictated by the assumption that only OPEC could bring oil prices down. Time and again Americans are treated to the spectacle of our officials prostrating themselves before officials from Saudi Arabia, Mexico and Venezuela to beg for more oil. These officials seem less like leaders of the free world than like Oliver Twist pleading, "Please, sir, I want some more."

Not only is this approach to oil diplomacy humiliating, but it is also completely unnecessary. **We can keep prices down on our own.**

The world's leading industrialized countries hold more than 1.2 billion barrels of oil in their strategic reserves — stockpiles created 25 years ago in reaction to the Arab oil boycott. Nearly half of this oil is owned by the United States, and Energy Department officials have outlined a creditable plan to use the stocks to moderate prices this winter: The government would lend up to one-third of its crude reserve to refiners before demand reached seasonal peaks, on the guarantee that the refiners would return the crude later in the year.

If Washington were to do this today, crude prices would be likely to fall by at least 15 percent and possibly by 20 percent, which might prevent heating oil prices from rising to \$2 a gallon this winter.

Moreover, instead of asking refiners to return the same number of gallons of oil in the spring, the government could require them to return oil with an equivalent dollar value. Because spring crude

futures can be bought at relatively low prices, refiners would end up returning more oil than they borrowed, at no monetary loss. This would mean a larger strategic reserve for the future.

A similar plan to release some of the strategic reserve was advocated last fall by Senators Charles Schumer, Democrat of New York, and Susan Collins, Republican of Maine. Yet nothing was done, and consumer heating oil prices soared above \$2 a gallon in New England.

Why does our government choose to beg rather than act? There seems to be a combination of reasons. One is the predictable governmental fear of upsetting a status quo, especially one involving the geopolitically sensitive nations of the Middle East. Another is an ideological hesitancy to have the government interfere with the free market (as though the OPEC-dominated oil trade in any way resembled a free market). Also, we are under pressure from our allies in Europe and Japan, who seem timid about upsetting Saudi Arabia.

The American failure to tap into the reserve is part of a larger bankruptcy in energy strategy. For example, the government advocates increased use of clean fuels like natural gas, low-sulfur diesel fuels and reformulated gasoline. However, it opposes steps that would actually increase production of these fuels, such as leasing more offshore land for exploration or loosening environmental regulations that make it hard for companies to overhaul their existing refineries.

Likewise, the government pushes the deregulation of electric utilities, yet little has been done to break the monopolies that traditional utilities have over distribution grids. When monopoly practices cause prices to rise, the government's standard response is to blame consumers for excessive consumption.

As for tapping into the oil reserve, there is a perfect model for using government power to bring sanity to the market: the success of the Federal Reserve in using monetary policy to keep the economy on an even keel over the last two decades. One hopes that President Clinton and Energy Secretary Bill Richardson will realize that they have the same types of tools used by Alan Greenspan. They only need to decide to use them.

There is no need to go to OPEC on bended knee.

Philip K. Verleger Jr. is a partner with the Brattle Group, an economic consulting group in Cambridge, Mass.

 [E-Mail This Article](#)

9-26-00

'00 SEP 26 PM4:24

Concerning Cyprus

I would like to express once more my regrets that after twenty-six years since the Turkish invasion and subsequent occupation of the northern part of the island, the people of Cyprus are still feeling its consequences and the pain that has kept their country divided. The refugees are still waiting to return to their ancestral homes and to their properties, while the families of the missing persons are still waiting to receive convincing evidence about the fate of their loved ones.

I know that the Cyprus government, throughout this period, has tried very hard and has displayed the necessary goodwill and flexibility in the search for a just and lasting solution within the parameters established by Security Council resolutions.

I would like to express my support for a bizonal, bicomunal Federal Republic of Cyprus with a single sovereignty, citizenship and international personality comprising of two politically equal communities as described by Security Council resolution 750 of 1992.

Although we value our cooperation and close relations with Turkey and are fully cognizant of its strategic position, we do not believe that justice should not prevail in the case of Cyprus. We think that it is in the best interest of Turkey herself, to actively pursue a solution to the Cyprus problem. The Turkish troops must withdraw from the island so that the two communities may live in peace and harmony as they have done for many centuries.

It is my sincere hope that the leadership of Turkey will take advantage of the window of opportunity that has existed for the past year with the improvement of the Greek-Turkish relations and the emergence of a new era of friendship between our two important allies. The granting of candidate status to Turkey by the EU, the considerable progress in the accession negotiations of Cyprus to join the EU and the new Greek-Turkish relationship, we hope, will lead to the reunification of the island so that its people can finally live in peace, security and full protection of their human rights.

SAVAS C. TSIVICOS
PRESIDENT

PAPHIAN ENTERPRISES, INC.

1309 ALLAIRE AVE., P.O. BOX 2076, OCEAN, NJ 07712

TEL. 732-531-3100

FAX 732-517-0820

copied
Berger
NSC w/udesk
Podesta

Samuel
Need to reply
BC

THE WHITE HOUSE

Assistant to the President
and Director of the White House
Initiative for One America

9/19/2000

Betty:

You may wish to
show this to Potus.

Its from the 11 year
of genius who is
a Sophmore at
Randolt macon
College

Benny

Celebration
Peace and Generosity
AND A MILLENNIUM MEAL

and Sharing of Food,
January first
One on Earth.

EDAY

'01/01

HOPE FOR HUMANITY

TRANSMITTAL SHEET

FROM:

Gregory Robert Smith

DATE:

9/3/00

TOTAL NO. OF PAGES INCLUDING COVER:

4

SENDER'S REFERENCE NUMBER:

Fax # 804-296-0407

<http://www.gregorysmith.com>

YOUR REFERENCE NUMBER:

~~804-296-7007~~ 804-296-7007

grs4peace@aol.com

COMMENT ☒ PLEASE REPLY ☐ PLEASE RECYCLE

all over the world who want to have a

Day of HOPE - a day of Peace and Generosity - a holiday for everyone - just
OneDay!

Please give this fax to our President.

Sincerely,
Gregory Robert Smith
Grs4peace@aol.com
<http://www.gregorysmith.com>
(804) 296-7007

Send to Cohen?

Yes

No

BC Stg

9/26/00

cal

Join the Celebration
Compassion, Peace and Generosity
ONE DAY IN PEACE AND A MILLENNIUM MEAL

*One Day of Peace, and Sharing of Food,
every January first
for Everyone on Earth.*

ONEDAY

01/01/01

A HOLIDAY OF HOPE FOR HUMANITY

FACSIMILE TRANSMITTAL SHEET

TO:	FROM:
Robert (Ben) Johnson	Gregory Robert Smith
COMPANY:	DATE:
Asst. to the President & Director of the President's Initiative for One America	9/3/00
FAX NUMBER:	TOTAL NO. OF PAGES INCLUDING COVER:
1-202-456-2577	4
PHONE NUMBER:	SENDER'S REFERENCE NUMBER:
	Fax # 804-296-0407 http://www.gregoryrsmith.com
RE:	YOUR REFERENCE NUMBER:
OneDay	804-296-0407 804-296-7007 grs4peace@aol.com

☒ **URGENT** ☐ FOR REVIEW ☐ PLEASE COMMENT ☒ **PLEASE REPLY** ☐ PLEASE RECYCLE

NOTES/COMMENTS:

I am sending this to you from children all over the world who want to have a day of HOPE – a day of Peace and Generosity – a holiday for everyone – just **OneDay!**

Please give this fax to our President.

Sincerely,
Gregory Robert Smith
Grs4peace@aol.com
<http://www.gregoryrsmith.com>
(804) 296-7007



September 2, 2000

Dear Mr. President,

I am an eleven-year-old college sophomore at Randolph-Macon College in Ashland, Virginia, and I have pledged my life to work for peace. I am writing to you because we, the children of the world, need your support and endorsement for our proposed holiday,

OneDay

celebrated every future January first as **One Day in Peace and a Day of Sharing a Millennium Meal**. This annual celebration for all faiths and cultures will teach the children of the world about compassion and generosity.

Before the end of your presidency we ask you to take three practical steps that can help end hunger and create a lasting legacy of peace in our homes, communities and among nations.

1. Immediately announce your support for House Concurrent Resolution 363 (which has 20 co-sponsors in the House and is about to be introduced in the Senate by Wellstone, Lieberman, Kennedy, Landrieu, Reid, Moynihan and Levin). We need your help to bring this resolution to the floor.
2. On Wednesday, September 6th, when you attend your last heads of state gathering as our leader, please persuade your colleagues to unanimously adopt the attached UN resolution. Last year 100 nations supported our OneDay in Peace January 1, 2000 program (General Assembly Resolution 54/29) and Mrs. Gore supported the Millennium Meal with an eloquent videotaped appeal which led to the first Millennium Meal held by Israeli and Palestinian families at a West Bank refugee camp.
3. Lead the people of America this fall in hunger drives and plans for pledges of non-violence on 01-01-01 as we start a new era. Encourage everyone to celebrate this holiday of inclusion, and on January first, perhaps you could celebrate your family's millennium meal with the family of the incoming president. Then in the years to come, as you travel the world, please help the **OneDay** holiday to grow in importance until we learn to live every day in peace and sharing.

As a youth peace leader I ask you to help me help my generation have the wisdom and courage to walk into a new millennium of generosity and compassion. The children of the United States and the world are looking to you, Mr. President, and our government for HUMANITARIAN LEADERSHIP. We need a HERO - a CHAMPION of our future. We need a statement and an action that teaches the young and the old that we can begin anew - never forgetting what we have done - but learning from our mistakes and those of others - healing our spirits - bringing forth a Renaissance of Humanity!

Our nation and world need to join together in celebration, a **Holiday of Hope for all Humanity - OneDay!** Please leave us this legacy.

Sincerely,



Gregory Robert Smith 804-752-7250 (office)

Grs4peace@aol.com

<http://www.gregorysmith.com>

Resolution Designating January 1st each year as a day of peace and sharing

Whereas human progress in the next century will depend upon global understanding and cooperation in finding positive solutions to hunger and violence,

Whereas the millennial year offers unparalleled opportunity for humanity to examine our past, set goals for our future, and establish new patterns of behavior,

Whereas the people of the world acted for the most part with unprecedented cooperation and good sense during the 24 hour period designated by the United Nations General Assembly as "One Day in Peace, January 1, 2000",

Whereas the example set on that day ought to be recognized globally, repeated, and improved upon each year,

And whereas celebration by the breaking of bread together has traditionally been the means by which individuals, societies and nations join together in peace: Therefore be it

Resolved by the General Assembly of the United Nations,

That the Secretary-General is hereby authorized and requested to issue a proclamation inviting people around the world to gather each January 1st with family, neighbors, congregations or people of another culture to make or renew a pledge of non-violence in the new millennium and to share a celebratory millennium meal. Further, that all who are able are urged to match the cost of their meal with a timely gift to the hungry at home or abroad in tangible demonstration of a desire for increased friendship and sharing among the peoples of the earth.

ONE DAY IN PEACE AND A MILLENNIUM MEAL
Every January First for Everyone on Earth
1106 Constitution Avenue, NE, Washington, DC 20002



B I O G R A P H Y O F G R E G S M I T H

Greg Smith is a sophomore at Randolph-Macon College in Ashland, Virginia, majoring in mathematics with a minor in French and history. As a high school Honor student, Greg distinguished himself by graduating on June 11, 1999, two days following his tenth birthday, thus becoming the youngest public high school graduate from the State of Florida. The youngest student in the history of Randolph-Macon College, Greg completed 33 credits his freshman year and is currently enrolled in Multivariable Calculus, French V, Honors History of Science, Honors Psychology and Biology.

He is the youth spokesperson for the World Centers of Compassion for Children and the founder of International Youth Advocates and travels internationally, speaking to organizations about the needs of the world's children. He appeals to governmental leaders to value their children as their country's greatest resource, and to guarantee that the children and their families will be moved to safe locations out of conflict zones prior to any military deployment. Greg teaches about ending the cycle of violence and has pledged his life to the pursuit of peace. A motivational speaker with a powerful message, he has shared the stage with Nobel Peace Laureates and Political leaders such as Ireland's Betty Williams and South Africa's Archbishop Desmond Tutu and has spread his message of PEACE on many television appearances including Sixty Minutes, The Oprah Show, The Today Show, Good Morning America, and CNN. The national and international print and broadcast media have told Greg's story and continue to help him spread his message of HOPE for a brighter more peaceful tomorrow.

Greg Smith

PO Box 5005

Randolph-Macon College

Ashland, Virginia 23005

(804) 752-7250

www.gregoryrsmith.com

gsmith@rmc.edu

grs4peace@aol.com

NFAA UPDATE

BEN JOHNSON

(202) 456-2577

(4) PAGES

Shovel Brigade charged with trespass

The federal government has sued the Shovel Brigade for trespassing on federal lands during its Independence Day rally that reopened a washed-out dirt road closed by the Forest Service.

"It is a county road," contends Shovel Brigade leader Demar Dahl. "I think they would have to prove that it's their road before they could make a trespass charge stick."

The group took its name "Shovel Brigade" after sympathizers across the country donated thousands of shovels to reopen the South Canyon

Road.

Hundreds of protesters from across the nation converged on Jarbridge, Nevada on the Fourth of July weekend to reopen the road despite warnings from the Forest Service and Department of Justice that the participants could be prosecuted.

Despite justice department attempts to obtain injunctions to head-off the renegade road crew, the Shovel Brigade persevered to clear the road.

The federal government urged the county to resolve the long-

standing dispute over the road in late June, but the county has not accepted the proposed settlement to date. Thus, the controversy promises to continue.

In the meantime, we wonder how the federal government justifies charging the *public* with "trespass" on *public* lands? Better yet, is DOJ *really* prepared to argue this absurdity in front of a jury of this road crew's peers?? We won't want to miss *that!!!!*

Shovel caravan to support Ohio

The Jarbridge Shovel Brigade delivered about 8,000 shovels September 2 to a Darby Farmland Rally in Madison County, Ohio, stopping along the way for rallies in Utah and Wyoming. The event is reminiscent of the Montana caravan that delivered 10,000 shovels to Elko, Nevada in January.

Event organizers said the rally is intended to protest federal "land grabs" and Clinton-Gore policies that take farmland out of production and infringe on private property rights.



Walk in our Shoes

Press Conference

A show of solidarity against oppression of Civil Rights at USDA

October 11, 2000 ~ White House, Pennsylvania Ave.

Send a shoe or two with your name, state, and identify the USDA agency guilty of the discrimination and/or abuse. Remember to include the shoes of the Silent Victims-- your husbands, wives, and children. If you like, include a letter addressed to President Clinton, Vice-President Gore, or USDA Secretary Glickman describing your experience. Please send your shoes no later than October 1 to: Shiloh Temple, 1275 North Pulaski Highway, Elkton, MD 21921.

For more information, please contact: Lawrence Lucas, President, USDA Coalition of Minority Employees at (856) 910-2399.

The public is invited to participate in this show of solidarity. We have all suffered in silence and fear for too long! Come join us!

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National & Federal Accountability Alliance

Maureen Lee, Editor

Post Office Box 2097 ~ Rogue River, OR 97537

Phone: (541) 582-6164 Fax: (541) 582-6165 Email: biss@internetcds.com



Questions and Comments

"This administration cares about the welfare of the people about as much as any predator cares about its prey."

Chief's Civil Rights Speech

"You hit the nail on the head. The Chief's rambling is clear that he doesn't care about civil rights... He should have retired long ago."

"The Chief doesn't answer anybody. I don't know a single person who got a response from the Chief when they complained about employees. That is proof that he doesn't consider our troubles, caused by his people, worth his time." Eureka, Calif.

"I liked the story about the Forest Service being a sinking ship. I don't care if it sinks as long as the captains go down with the ship." Oregon City, Oregon

"It's obvious Glickman plans on leaving. Lyons said he's leaving next year. The Chief is rumored to be a candidate for a higher position with a Gore Administration. Rats jumping off a sinking ship, I say." Kennewick, WA

"Glickman and Dombeck should not be wringing their hands. The Clinton administration should be wringing their necks!" Minnesota

"If we can be cited for contempt of court when we disobey a court order, why shouldn't top administration officials be charged with Contempt of Office when they shun their official responsibilities?" Roanoke, VA

As Murphy says: That is a good idea whose time has come! But, I wouldn't hold my breath waiting for that to happen.

Clinton-Gore Administration Too Busy for us? For the past year when we asked the USFS why it doesn't address LEI and other issues, they replied sanctimoniously that it has 'a lot going on.' Now, we're told they're too busy with the wildfires. The White House and top administration officials at present haughtily proclaim to be too preoccupied with the election. Well, what was their excuse last year? And the year before that? And, the 5 years before that? Shouldn't publicly-funded government offices be more focused on serving the public?

Secretary Glickman's speech at USDA Civil Rights forum, June 29

"As much as we want to believe Secretary Glickman this time, it is hard to imagine what he thinks he can accomplish now that he wasn't able to accomplish over the past 5 years. I think we would be naive to think change is coming at this late date." Texas

"I think it's a good idea to have managers review settlements for disciplinary action. I'm sure repeat offenders are costing the taxpayers a lot of money that could be saved if they were held accountable. I am equally sure there are some employees taking advantage of grievance processes. I think those who commit serious improprieties should be fired. I also think employees filing frivolous complaints should compensate the government for the cost of processing their complaints." Calif.

I agree—in theory. The problem is the USDA doesn't play by the rules. In spite of the Secretary's proclamations, there is little likelihood offenders will be held accountable. We do believe that they will make "examples" of a few for awhile. As for frivolous complaints, we know it happens. However, if any type of compensation rule were enacted, the USDA would brand most complaints frivolous and demand reimbursement.

A better system would be a fair, unbiased early intervention process to ferret out frivolous complaints and expedite resolution of valid grievances. An adverse administrative ruling would make it much more difficult for false complainants to employ legal counsel to pursue higher awards. On the other hand, a favorable determination could bring swift relief to victims suffering.

But, at this time "fair and unbiased" are two criteria the USDA has yet to prove it can meet. So, bonafide victims of unlawful acts continue to suffer.

"I feel sorry for the Secretary. I don't think he has any idea how to fix these problems." Indiana

I'll save my sympathy for the victims whose pleas for help were ignored by the Secretary, White House, and Chief

Disneyfication of our national forests?

"At least Disney would not try to destroy my business, steal my property, rape my wife, scare my children, or spy on me in my home. All in all, I'd say it would be vast improvement over the current situation."

Escondido, California

"The Forest Service logo superimposed on Mickey Mouse is befitting of the Forest Service we know and loathe." Logan, Utah

"I escape to the forest from my urban habitat to enjoy nature. When I want to visit an amusement park, I can go to Disney Land or Six Flags." Riverside, Calif.

"You missed an important fact: If the Forest Service merged with the Disney company, it would have professional management for the first time in its history — and no one is better than Disney at public service. That, in itself, might make this joint venture publicly appealing." Kerry— Ohio

NFAA UPDATE

Maureen Lee, Editor

Letters to the Editor and comments are always welcome. Please include your name, address, and telephone number. We will keep your identity confidential, unless we receive your specific permission to print your name. Slanderous comments or those containing pertinent facts we cannot verify will not be printed. Thanks.

USFS to Rainbow: The bill is in the mail

The USFS will bill the Rainbows for "dirt damage." The bill is in the mail. Or at least it will be when the agency gets around to figuring out how much "damage" the Rainbow Family gathering did to forest dirt.

Wisdom District Ranger Dennis Havig said the bill will total in the thousands of dollars for work the agency says is needed to mitigate impacts from its gathering near Wisdom this summer.

Over 20,000 Rainbow Family members descended on Beaverhead Deerlodge National Forest in this summer to celebrate and pray for peace.

The Forest Service presented them the group with a rehabilitation plan. A small band of Rainbows stayed behind to clean and rehabilitate the site. They left around the first of August.

Havig said the Rainbows did a good job of picking up litter, scattering fire rings and dismantling temporary structures.

"In that respect, it was one of the best cleanups I've ever seen," he said. "It was as clean as any lawn in town. There was no litter, not even any cigarette butts to be found."

However, he said other Forest Service stipulations were ignored. In particular, the group did not perform soil compaction remediation as the agency required. Havig estimated that 50 to 100 acres of trails and parking areas need work to alleviate soil compaction.

"They didn't do any of the aeration of the soil that we asked for," he said. "We're going to have wait for the fire season to end until we can get in there and do that work. This fall we'll bill them."

The agency says it will also

monitor the gathering site for potential "weed infestation," boasting that it has "held-up fire trucks" while it sprays the truck's undercarriage for weeds.

The Forest Service has always opposed Rainbow gatherings and

lost a court battle last year when a district judge warned the agency to discontinue its harassment of the free-spirited followers in a ruling we dubbed "no hippie hassle allowed."

The Forest Service's announcement of a pending "dirt damage" bill smells like another such lawsuit will be in the works.

When the agency loses, the taxpayers lose-- after all, it is the taxpayers who bear the costs when a government agency chooses to abuse the process to persecute those in federal disfavor.

And, in this case it appears suspiciously as though the agency is only pursuing this ridiculous course to intimidate the Rainbow Family from future gatherings in national forests.

The agency has employed different tactics in the past to rid the forests of Rainbow and other groups it found objectionable. The Rainbows are sufficiently unconventional as to lack the ability to garner mainstream support. However, the fact remains that the agency doesn't have to love them, but the Court has ruled that the agency does have to tolerate them. *Get over it, Smokey, your penchant for vengeance is costing us a bundle!!*

Please make note of the new telephone numbers, mailing address, and e-mail address for our new Oregon location.

Senate to hold oversight hearing on USDA Office of Civil Rights

The Senate agricultural committee brought a smile to our face when it posted the following notice September 1: 'Activities of the Senate



Senator Richard Lugar, (R-Indiana) Chairman of the Senate Agriculture, Nutrition & Forestry Committee.

Agriculture Committee once Congress reconvenes in September will include an oversight hearing regarding the operation of the Office of Civil Rights, U.S Department of Agriculture, and a hearing to examine

food safety issues.'

The USDA's dismal civil rights record has been the source of contention for years. In 1997, Secretary Dan Glickman tackled the thorny issue with listening sessions and special advisory teams that resulted in the implementation of "action items."

Many of these reforms failed, in large part, because they were never enforced. In June, the Secretary held a civil rights conference that reiterated his commitment to many of the failed policies of the past.

Since that time, it seems that the Secretary has been AWOL on the subject. When the political pressures rise, he mouth platitudes then proceeds on his merry way, ignoring the festering mess left behind. *Well done is better than well said.*

For more information, contact the committee at: (202) 224-2035. You can access the committee's website at www.senate.gov/~agriculture.

Let's hope this hearing produces results that resolve some of these long-standing issues!!

Chief Talks the Talk, but doesn't even try to Walk the Walk

We found some of the Chief's statements to his employees worthy of debate.

Clearly, the man is intelligent. We assume he envisions himself as savvy and polished. Therefore, it is incomprehensible how he can issue statements avowing to his superior leadership when we all know better. We can only assume that he believes the public is too stupid to tell the difference-- which may not be surprising considering the insults of rural America that emanated from his office. Well, Mikey, have we got a shock for you and this administration-- we are not easily fooled!

During his tenure, the Chief has never given any indication that he is cognizant of the fact that he bears managerial responsibility for his employees or the public he professes to serve-- *it always trees, folks, never people*. Perhaps, that is his mandate from the Clinton-Gore administration. Protect the trees, ignore the plight of the people.

Let's examine the Chief's statements that raised our eyebrows:

"Folks may say they are too busy, or disagree with our direction, but

rarely does anyone suggest we have a 'muddled' mission."

It is ironic the Chief would raise this inasmuch as his management (and this administration) is notorious for brushing aside internal problems with the feeble excuse that it is too busy. As for the agency's "muddled mission," even the Chief admits to "external and internal criticism that we had lost sight of our mission..."

Is the Chief declaring himself and his agency to be above the law?

"No longer is our agenda dictated by litigation, lawsuits, and controversial appropriations' riders."

Senator Craig argued the absurdity of this, but it is worth mentioning that the agency -- and all agencies -- *should* be ruled by litigation. Is it the Chief's intent to continue ignoring judicial rulings governing the agency's conduct? If so, the Chief is declaring himself and his agency to be above the law.

"The inertia in a large organization is to maintain the status quo. The

country is littered with organizations that could not, or would not adapt."

He speaks from first-hand knowledge: No agency has been more resistant to change and more protective of the status quo than the U.S. Forest Service. This country *is* littered with the bodies of victims of this abusive agency, and lying among the litter is the reputation and integrity of Smokey that could not, or would not adapt.

"If we are to be successful, our organization must embrace change; welcome different skills, experiences, and viewpoints; and look for suggestions from those that led before us as we try new ways to resolve old problems."

True, indeed! Therefore it strains credulity that if he understands this, why does he permit his managers to refuse to listen to internal suggestions, intimidate agency critics, burn whistleblowers, discriminate against minorities, and steadfastly resist any and all efforts by internal and external groups seeking to resolve old problems? Once again, the Chief calls for change while clinging to the status quo he professes to repudiate.

Chief's Letter to Employees- Continued from page 8

Folks may say they are too busy, or disagree with our direction, but rarely does anyone suggest we have a 'muddled' mission.

We have changed the tenor of the debate. No longer is our agenda dictated by litigation, lawsuits, and controversial appropriations' riders.

The regional plans in the Sierra Nevada, the Columbia River Basin, and the Grasslands, for example, anticipate the emphasis on sound science and sustainability in the proposed planning regulations and will lead to improved land health and better service to people on tens of millions of acres, as long as basic ecological processes, such as fire and water regimes exist, and old growth forests remain intact.

Consistent with both our roadless proposal and our soon to be released Cohesive Fire Strategy, these regional efforts recognize the ecological and social importance of roadless areas....

The inertia in a large organization is to maintain the status quo. The country is littered with organizations that could not, or would not adapt....

It is imperative that we work together at all levels of the organization to understand the rationale behind, and the implications of, these conservation efforts. Please continue to share your thoughts and advice with me, regional foresters and station directors, forest supervisors, district rangers, and

others.

If we are to be successful, our organization must embrace change; welcome different skills, experiences, and viewpoints; and look for suggestions from those that led before us as we try new ways to resolve old problems.

We are at the forefront of the public lands debate and this is precisely where we should be. The long-term dividends of leadership clearly outweigh the short-term costs. And, as Aldo Leopold so sagely advised, we must take the long view. I am proud to serve with you in the world's foremost conservation organization.

Mike Dombeck, Chief
USDA Forest Service

5 pages

FAX TO: President Clinton, Attn: Robert Ben Johnson, 456-2577

FROM: One Day Foundation 1106 Constitution Ave NE
Washington, DC 20002, Telephone 202-544-8505

Dear Mr. President,

Please announce your support this week for H.Con.Res. 363 and the companion bill sponsored by Senators Wellstone, Lieberman, Kennedy, Moynihan, Landrieu, Reid and Levin (see attached May 15 and Sep 2 letters).

Also please ask our UN ambassador to co-sponsor the resolution below immediately upon the opening of the General Assembly and if possible mention it in your welcoming talk on Wednesday.

Resolution Designating January 1st each year as a day of peace and sharing

Whereas human progress in the next century will depend upon global understanding and cooperation in finding positive solutions to hunger and violence,

Whereas the millennial year offers unparalleled opportunity for humanity to examine our past, set goals for our future, and establish new patterns of behavior,

Whereas the people of the world acted with unprecedented cooperation and good sense during the 24 hour period designated by the United Nations General Assembly as "One Day in Peace, January 1, 2000" (General Assembly Resolution 54/29)

Whereas the example set on that day ought to be recognized globally, repeated, and improved upon each year, and,

Whereas celebration by the breaking of bread together has traditionally been the means by which individuals, societies and nations join together in peace:

Therefore be it Resolved by the General Assembly of the United Nations,

That the Secretary-General is hereby authorized and requested to issue a proclamation inviting people around the world to gather each January 1st with family, neighbors, congregations or people of another culture to make or renew a pledge of non-violence in the new millennium and to share a celebratory millennium meal. Further, that all who are able are urged to match the cost of their meal with a timely gift to the hungry at home or abroad in tangible demonstration of a desire for increased friendship and sharing among the peoples of the earth.



May 15, 2000 **URGENT: By Hand**

**Re: EXPEDITING A JOINT RESOLUTION, or
How to pre-empt the arms-race-of-anger issue
while creating a long-lasting legacy that's fun**

Dear Mr. President,

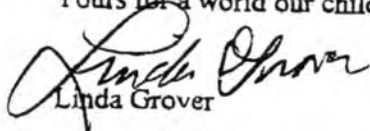
Imagine having a happy, non-controversial presidential legacy that lasts a thousand years and encompasses the whole planet in good feelings every single year. Your support now for our initiative (about to be introduced by women in the House and Senate) could not only help make that happen; it might even cause Congress to commit comity and send them home with a better attitude. Here's ten reasons why we think you'll want to lead this initiative for a hopeful holiday on 01-01-01:

1. **Tipper Gore was our very first supporter** (she taped a PSA for us) and she's a friend of yours.
2. **One hundred nations supported "One Day in Peace January 1, 2000,"** pledging no war on that day. The US was not among them. We can make up for that now.
3. **It will delight every special interest group**—food producers, shippers, greeting card and seed companies, unions, trade associations, schools, the faith community, hunger groups, peace groups, both personal and planetary—all will benefit as gifts of food are sent around the world.
4. **There is a hormone released when we eat that promotes bonding.** This day of peace and sharing (maybe you can think of a good name for it) ought to be a time when every lonely and alienated person has somebody to be with, and every child feels welcomed into the human family.
5. **It fits naturally with work the White House is already doing, or has done.** Ben Johnson (I, too thought the centipede joke was funny) is bringing Americans of different cultures together; Hillary Clinton contributed enormously toward creating a millennium moment with meaning; John Koskinen helped turn a scary January first into our safest sanest New Years yet. All together, White House leadership helped guide the people of the planet through a baptism in togetherness. That needs to be recognized and remembered in years to come.
6. **Congress can be a role model** by unanimously adopting the measure, which they may do (since it's pretty hard to say you oppose peace and favor hunger). When the resolution is passed we plan an informal celebration on the Capitol lawn. Members will bring a symbolic gift of food from their district to share with a member they've disagreed with or may be facing conflict with in the fall campaign—showing the country Congress can end the "cycle of near-violence" that has recently afflicted it.
7. **The UN will be next to act.** Since the General Assembly passed a resolution declaring "One Day in Peace January 1, 2000," last year, action at this year's session to make it an annual event is likely.
8. **Millions of the hungry can find a place at the global table** this very first year of the universal holiday, and the year after that many more—without any public cost except what nations voluntarily contribute. Most food gifts can be generated locally once awareness is raised.
9. **Preparing for a time of peace and sharing every year can become a way of life.** We also envision that anytime in the new millennium people find themselves in conflict, they may get in the habit of sitting down to have a millennium meal together *before* trying to work things out.

10. You may want a job in years to come that beats watching the laundry go around. Like getting the people of the world together. You are uncommonly popular everywhere, and Clinton nostalgia ought to be put to good use. You've said that we are naturally afraid of people different from ourselves, and recently you observed that the people of different castes in that village in India had never even had *dinner* with one another. So you know it's important.

Please say you'll help. The turn of the millennium can still become a turning point for humanity—if we just use it right.

Yours for a world our children will want to celebrate,


Linda Grover

We're currently working with the offices of, Lieberman, Moynihan, Senator Kennedy, Gephardt, Jesse Jackson Jr., Rangel, Kucinich and Patsy Mink, with previous support from Hutchison for One Day in Peace, and Hatch for the Millennium Meal.

September 2, 2000

Dear Mr. President,

I am an eleven year old college sophomore at Randolph-Macon College in Ashland, Virginia, and I have pledged my life to work for peace. I am writing to you because we, the children of the world, need your support and endorsement for our proposed holiday,

OneDay

celebrated every future January first as **One Day in Peace and a Day of Sharing a Millennium Meal**. This annual celebration for all faiths and cultures will teach the children of the world about compassion and generosity.

Before the end of your presidency we ask you to take three practical steps that can help end hunger and create a lasting legacy of peace in our homes, communities and among nations.

1. Immediately announce your support for House Concurrent Resolution 363 (which has 20 co-sponsors in the House and is about to be introduced in the Senate by Wellstone, Lieberman, Kennedy, Landrieu, Reid, Moynihan and Levin). We need your help to bring this resolution to the floor.
2. On Wednesday, September 6th, when you attend your last heads of state gathering as our leader, please persuade your colleagues to unanimously adopt the attached UN resolution. Last year 100 nations supported our OneDay in Peace January 1, 2000 program (General Assembly Resolution 54/29) and Mrs. Gore supported the Millennium Meal with an eloquent videotaped appeal, which led to the first Millennium Meal held by Israeli and Palestinian families at a West Bank refugee camp.
3. Lead the people of America this fall in hunger drives and plans for pledges of non-violence on 01-01-01 as we start a new era. Encourage everyone to celebrate this holiday of inclusion, and on January first, please celebrate your family's millennium meal with the family of the incoming president. Then in the years to come, help the holiday to grow more important in our lives each year, till we learn to live every day in peace and sharing.

As a youth peace leader I ask you to help me help my generation have the wisdom and courage to walk into a new millennium of generosity and compassion. The children of the United States and the world are looking to you, Mr. President, and our government for HUMANITARIAN LEADERSHIP. We need a HERO - a CHAMPION of our future. We need a statement that teaches the young and the old that we can begin anew - never forgetting what we have done - but learning from our mistakes and those of others - healing our spirits - bringing forth a Renaissance of Humanity!

Our nation and world need to join together in celebration,

A Holiday of Hope for all Humanity - OneDay! Please leave this legacy of Peace and Sharing for us.

Sincerely,

Greg Smith 804-960-6858 (office)

Grs4peace@aol.com

<http://www.gregorvsmith.com>

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

June 21, 2000

Dear Colleague:

Please take time in your busy schedule to consider signing on as a Co-Sponsor of the proposed Concurrent Resolution (see attached copy) to establish January 1st as a special day of peace and sharing gifts of food with others whose lives we normally do not touch in a personal way.

On the first day of the New Millennium, January 1, 2000, "One Day in Peace" was supported by over 100 nations, 25 U.S. governors, hundreds of mayors worldwide and over 1,000 organizations in nearly 140 countries. It worked. The Millennium Meal Project has been endorsed by the White House, members of both the House and Senate, the World Peace/Inner Peace Conference and the Jubilleum World Conference on Religion and Peace featuring 19 diverse faiths.

Now these two initiatives have joined to have people all over the world reach out to one another for "One Day in Peace" by sharing a special meal. Breaking bread together has been a tradition since the beginning of mankind when people from opposing sides can sit down and learn about one another in a peaceful manner. Particularly, we, as Members of Congress, need to put aside our differences, on both sides of the aisle, to discover and celebrate our commonalities in order to prepare ourselves for working more harmoniously during the 107th Congress to solve the critical problems of both violence and hunger in our nation and globally. This has been the strongly expressed Will of the People during the past year. We know too painfully well that we have children going to bed hungry without enough to eat, and children are afraid to go to school.

Let us make this "One Day in Peace" a special time of reflection, to eliminate hunger and violence for children and families throughout the world, by sharing our prosperity and friendship with people from all backgrounds, beliefs and cultures. This day should be held high in importance to celebrate our diversities and differences, rather than emphasizing them as barriers between us.

So let us individually, and collectively, as Members of the 106th Congress, co-sponsor and give enthusiastic support to this great initiative: "One Day in Peace". For more information or to sign on as a cosponsor, you may contact Souheila Al-Jadda (Kucinich) at 55871 or Deanna Scallen (Conyers) at 313-961-5670.

Sincerely,



Dennis J. Kucinich
Member of Congress



John Conyers, Jr.
Member of Congress

Los Angeles Department of Water &
Power
(213) 367-1338
FAX 367-1455

facsimile transmittal

00 SEP 26 PM 10:55

To: Mr. Douglas J. Band, President's Aide Fax: 202-456-1121
From: S. David Freeman Date: 9/25/00
Re: Letter to the President re. Oil Prices Pages: 2 including cover page
CC:
☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

9-26-00

To NSC for reply?
Yes ☒ No ☐

D.

CONFIDENTIAL

Department of Water and Power



the City of Los Angeles

RICHARD J. RIORDAN
Mayor

Commission
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JUDY M. MILLER, *Vice president*
RICK J. CARUSO
MICHAEL I. KESTON
DOMINICK W. RUBALCAVA
JOHN C. BURMAHLN, *Secretary*

S. DAVID FREEMAN, *General Manager*

September 25, 2000

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

Dear President Clinton:

Re: Oil Prices

The idea I briefly mentioned to you at the LCV event in Los Angeles on Sunday (September 24th) goes as follows:

The proposal is a commodity agreement between the oil exporting nations and the oil consuming nations that would establish both a floor and ceiling on oil prices to eliminate the extremes either way. For example, if the ceiling was \$30 per barrel and the floor \$20 per barrel, the market price could fluctuate between those two numbers. Producers, including domestic producers, could keep drilling with a guarantee of at least \$20 per barrel, and the world's consumers in the developing nations, which are hurt the most, as well the U.S. and Europe, would be free of the worry of oil shock.

I realize achieving such an agreement might be tough, but the idea was actually suggested back in the 70s by Sheik Yamani of Saudi Arabia. As I recall, Henry Kissinger and the people on American side, especially the economists, did not want to go there. It strikes me that both producers and consumers have difficulty living with a completely "free market" that really isn't all that free from OPEC manipulation and that such a commodity agreement would be far superior to the status quo.

Your speech on Sunday as to the technical solutions on the shelf for a good life with less oil, of course, is the fundamental answer. I only wish that every American could have heard what you said. It was certainly a great pleasure for me to see you in person looking so well and happy and to hear your speech.

Sincerely,

S. DAVID FREEMAN

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BOBBY G. PETERS

Mayor

Hon. Bill Clinton
President of the United States
White House

Dear Mr. President:

As an elected official, I realize the number of letters or organizations that want something from you...those help. Seldom do you receive a letter just to say "THANK YOU" for your dedication to our country. I have supported you have never asked anything of you, and never will. As productive tenure, on behalf of our myself and our community.

Public service is more difficult than ever before. The scrutiny unyielding. Reputations seem to be up for public shoulders to make themselves taller. In many cases, Bill Clinton building our country up. Fortunately the silent majority poisoned with all the negative. So as a member of those what you have done for us and understand the personal : public service, please know you made a tremendous difference will be remembered by all, and the small return you have the wonderful impact you have had and will have on the

If history is honest, you will be recorded as one of the most effective Presidents of all time. Human error will be forgiven and bless you and your family as you face new challenges and

With kind regards, I remain,

Lynn Citer wanted to
Make sure the president
sees this. Thanks!

*65019

9-26-00

To Cohen for reply?

Yes ☒ No ☐

Sincerely,

Bobby Peters
Mayor of Columbus

00 SEP 26 PM 10:55



Columbus Consolidated Government

Georgia's First Consolidated Government

Post Office Box 1340

Columbus, Georgia 31902-1340

BOBBY G. PETERS

Mayor

Telephone (706) 653-4712

FAX (706) 653-4970

TDD (706) 653-4494

Hon. Bill Clinton
President of the United States
White House

Dear Mr. President:

9-21-2000

As an elected official, I realize the number of letters and calls you receive from individuals or organizations that want something from you...those who have personal agendas and need your help. Seldom do you receive a letter just to say "THANK YOU" for your years of service and your dedication to our country. I have supported you and your administration from day one and have never asked anything of you, and never will. As you leave behind a highly successful and productive tenure, on behalf of our myself and our community, we wish you only the best.

Public service is more difficult than ever before. The demands are greater and the public scrutiny unyielding. Reputations seem to be up for public auction. Many desire to stand on your shoulders to make themselves taller. In many cases, Bringing someone down takes priority over building our country up. Fortunately the silent majority have not allowed their minds to be poisoned with all the negative. So as a member of those supportive citizens that do appreciate what you have done for us and understand the personal scars you have acquired because of your public service, please know you made a tremendous difference, you are respected by most, you will be remembered by all, and the small return you have received personally will never equate to the wonderful impact you have had and will have on the present and future of our great nation.

If history is honest, you will be recorded as one of the most energetic, dedicated, and effective Presidents of all time. Human error will be transcended by the human good. May God bless you and your family as you face new challenges and new endeavors. Thank you!

With kind regards, I remain

Sincerely,

Bobby Peters
Mayor of Columbus

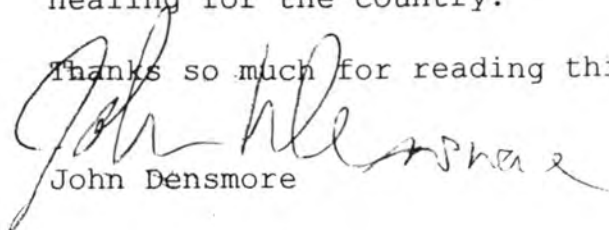


Dear President Clinton,

Forgive me for being so pushy. I am an agent, but feel that I have a great suggestion before leaving office.

Leonard Peltier is considered a political prisoner according to Amnesty International. He has been in prison for 24 years. I think if you looked into the prison system, which is fraught with witness intimidation and the process of the law, you'd see what a great humanitarian move it would be to free him. A positive response would be overwhelmingly positive and healing for the country.

Thanks so much for reading this,


John Densmore

Do reply

9-26-00

To Cohen for reply?

Yes ☒ No ☐

Coordinate with Counsel?

Yes ☒ No ☐

B.

'00 SEP 26 PM6:35

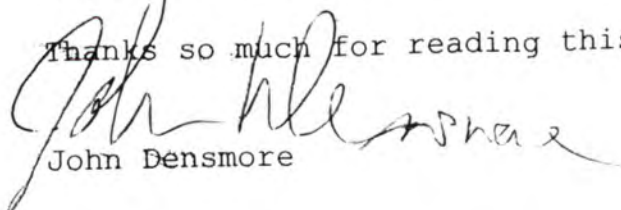


Dear President Clinton,

Forgive me for being so pushy. I am not your press agent, but feel that I have a great suggestion for you before leaving office.

Leonard Peltier is considered a political prisoner according to Amnesty International. He has been in jail for 24 years. I think if you looked into his case, which is fraught with witness intimidation and lack of due process of the law, you'd see what a great moral and humanitarian move it would be to free him. I think the response would be overwhelmingly positive and be very healing for the country.

Thanks so much for reading this,


John Densmore

PETER B. KOMIS
610 DON GASPAR AVENUE
SANTA FE, NM 87501-4428

B. KOMIS
ERPRISES, LLC
SPAR AVENUE
NM 87501-4428
facsimile: (505) 983-2113
-6361 mobile
is@pbf.com

00 SEP 25 PM 6:35

INTON
MERICA

Do
reply

9-26-00

To Cohen for reply?
Yes ☒ No ☐

coordinated:
Leg Affairs

Reply

letter to you in person in our beautiful Land of
be the last opportunity that I will get to see you as
ay that you indeed have been the best President of
my country because I have an outstanding leader
he world.

hold Congress hostage for this last session of your
e Congress to pass **an immediate increase of a**
roduced by Senator Jeff Bingaman during the last

their last version of Estate Tax reform. I suggest
demanding that they give the American people the
Republicans wanted to phase out the estate taxes
plained to me, Senator Jeff Bingaman's version of
tax exemption of estates to \$4.5 million.

migrated to this country from Greece in 1939. He
set foot on American soil in San Pedro, California.
her making \$13.00 per week in Santa Fe, New
hard work, he started his own restaurant called the
aurant. My mother immigrated in 1947 where she
43 years at the restaurant. They had 3 children,
and my sister and I to college. We all worked
owned.

ever went to school in this country purchased a
building on the Plaza and some acreage south of town. They were fortunate enough to buy this
real estate at the right time before prices became too astronomical. But as a result of increased
land values, the estate will be taxed at 53%.

PETER B. KOMIS
KOMIS ENTERPRISES, LLC
610 DON GASPAR AVENUE
SANTA FE, NM 87501-4428
(505) 983-1166 Facsimile: (505) 983-2113
(505) 450-6361 mobile
pbfkomis@aol.com

100 SEP 26 PM 5:35

25 September 2000

THE HONORABLE WILLIAM JEFFERSON CLINTON
PRESIDENT OF THE UNITED STATES OF AMERICA
THE WHITE HOUSE
1600 Pennsylvania Avenue, NW
Washington, DC 20500

RE: ESTATE TAX REFORM

Dear Mr. President:

It is with great pleasure that I may give this letter to you in person in our beautiful Land of Enchantment – New Mexico. This is probably be the last opportunity that I will get to see you as President in my home state. I am pleased to say that you indeed have been the best President of our country in my lifetime. I take pride in my country because I have an outstanding leader representing the American people throughout the world.

I am writing this letter to you to implore you to hold Congress hostage for this last session of your Presidency. You must use your power to urge Congress to pass **an immediate increase of a \$4.5 million unified credit for estates** as introduced by Senator Jeff Bingaman during the last session of Congress.

The Republicans just relished in your veto of their last version of Estate Tax reform. I suggest that you put them in the political spotlight by demanding that they give the American people the increased unified credit that we deserve. The Republicans wanted to phase out the estate taxes over a period of 10 years; but as Tom Udall explained to me, Senator Jeff Bingaman's version of Estate Tax Reform immediately increased the tax exemption of estates to \$4.5 million.

Mr. President, my (late) father John Komis immigrated to this country from Greece in 1939. He was in the Greek Merchant Marines when he set foot on American soil in San Pedro, California. Starting penniless, he worked as a dishwasher making \$13.00 per week in Santa Fe, New Mexico. Then later through perseverance and hard work, he started his own restaurant called the Ship Ahoy. It later became the El Patio Restaurant. My mother immigrated in 1947 where she met my father. They married, and slaved for 43 years at the restaurant. They had 3 children, sent one (my late brother) to law school, and my sister and I to college. We all worked collectively as a family in the diner my parents owned.

Through their hard work, my parents who never went to school in this country purchased a building on the Plaza and some acreage south of town. They were fortunate enough to buy this real estate at the right time before prices became too astronomical. But as a result of increased land values, the estate will be taxed at 53%.

William Jefferson Clinton
President of the United States
Page 2

This estate tax is archaic. It may have been appropriate at a certain time in our history, but it is now outdated and totally unfair. It is now the new millenium. We have a huge and diverse US economy. I believe that this Estate tax only penalizes hard working families, such as the KOMIS family who acquired their wealth as hard working Greek immigrants in their small diner in downtown Santa Fe.

My parents broke their backs for 43 years at El Patio Café and earned every penny to buy their real estate holdings. And because of the cost of living, all of their property values have gone up. However, because the values have gone up, the Estate Tax on the estate is at a phenomenal 53%. The unified credit that is in place right now has not kept up with the cost of living.

Why should my family pay 39% federal tax on their income, and then again a whopping 53% tax on estate values above \$660,000.00? This seems like double indemnity. This tax is destructive, cruel, un-American, and completely unfair. **How does one expect the family business to continue if properties need to be liquidated at a forced sale so that the 53% tax is paid within 9 months of the date of death?**

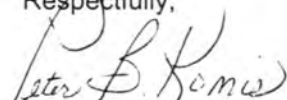
President Clinton, my parents epitomized the American dream for their children, NOT the Internal Revenue Service. My father worked until his dying day for his children. My mother kept the family unit going by working with him side by side to make a better life for their children than the life they had as children during the ravages of World War II in Greece. They relied on their three children to work with them and to read every single legal document, bill, or instrument, as we were the ones fortunate enough to get a formal education. (My parents may have had difficulties with reading and writing, but they indeed had a Ph.D. in LIFE.)

I ask you now to help keep the Komis family from losing everything they worked so hard for. The current Estate Tax structure is criminally onerous. I ask you to keep the Republicans from going home to campaign in their districts unless they pass an immediate increase in the unified credit. Immediately increasing the unified credit for estates to \$4.5 million as previously proposed by Senator Bingaman is the right thing to do.

Mr. President, I will close by saying that it is indeed an honor and privilege for me to see you in person on numerous occasions and I thank you. I have proudly made it known in my Santa Fe community and in Greece (my home away from home) that I am a staunch Clinton supporter. You, as President of the United States of America and perhaps the only World Leader have indeed successfully built the bridge to the 21st century. We as Americans need to cross that bridge by leaving behind the old Estate Tax rules of the past, and begin our journey into the new millenium with more current and reformed Estate Tax regulations that will **preserve the future of the American family.**

May God bless you, Mrs. Clinton, and Chelsea. I hope that you have indeed enjoyed being our President, and may you continue to prosper as that young man who came from a place called Hope.

Respectfully,

A handwritten signature in dark ink, appearing to read "Peter B. Komis". The signature is fluid and cursive, with a large initial "P" and "K".

Peter B. Komis

Gladys Peterson, 93, a resident at Horizon Health Care, walks past a 1947 Lincoln Continental Mark I, left, and a 1929 Model A Roadster Ford on display for the residents Tuesday. Bob and Barbara Pearson, the owners of the cars, took them to the nursing home for the residents to enjoy.

Gladys Peterson, seen through the rear-view mirror, checks out the inside of the Mark I.

Photos by Laura Husar/The New Mexican



School board salutes leade

By AARON BACA
and SHARYN OBSATZ
The New Mexican

A truce struck by three local gangs won applause Tuesday from the Santa Fe Board of Education and several other city organizations.

At the start of Tuesday's regular school board meeting, board member

Carla Lopez introduced a formal commendation recognizing gangs' intentions to reduce gang violence in Santa Fe.

Lopez, who worked at her husband's law firm on West San Francisco Street before joining the board, said the truce carries special meaning for her.

"For 21 years I watched the little kids from Carlos Gilbert (Elementary) walk by the law firm," she said. "But as the

kids got older and into junior high, you could see them fading."

It was especially painful to learn that some of them joined area gangs, Lopez said.

"They eventually showed up at our office because they got into trouble and needed help," she said.

Lopez directed her comments to seven young men, sitting in the audience, who have been involved in the

John Komis, local restaurateur, dies

By HOLLIS WALKER
The New Mexican

In many ways, John Komis embodied the American Dream. He immigrated to the United States as a young man, served in the military, worked hard, built a successful business, invested in real estate, raised a family. He made many friends through his Santa Fe restaurant business, El Patio, and few, if any, enemies.

Komis, 79, died Sunday at his home in Santa Fe.

Family and friends of Komis recalled Tuesday the tales of adventure with which the former merchant mariner regaled them during the 43 years he owned and operated the downtown El Patio restaurant with his wife, Lemonia.

Komis was born in the village of Mavrata on the Greek island of Keffalonia in the Ionian Sea. As a young man, he joined the Greek Merchant Marine and traveled the world.

"He told me all kinds of stories," said state District Judge Edwin Felter. "Of hardships in the North Atlantic and how cold it was. He'd sailed around Cape Horn, the Cape of Good Hope, been to all of Asia, Europe, wherever ships sailed.

"After he settled down in Santa Fe, he didn't want to travel any more at all. He was content to stay at home," Felter recalled.

"He was fiercely patriotic; he loved America."

In fact, so strong was his desire to come to the United States that Komis jumped ship off the coast of California in



Komis as a Greek Merchant Marine in the 1930s.

1939, said his son Peter.

When immigration officials caught up with him, Komis enlisted in the Navy, which was desperate for experienced sailors, and earned his citizenship

Please see KOMIS, Page B-3

N.M. 1 above

Staff and wire rep

Teacher pay in New Mexico was up 5.2 percent compared with the school year — more than the average raise nationwide, according to figures released by the American Federation of Teachers.

But New Mexico teachers paid an average \$27,900 in the 1993-94 school year, below the national average.

"The last two years have been good for us," said John Ley, co-president of the chapter of the National Education Association.

Santa Fe Public Schools enjoyed pay slightly higher than the average in the last two years, district teacher unions won an average pay raise

weekend after being hospitalized

the shootout area and asked the

well be said.

KOMIS

Continued from Page B-1

with five years of military service.

After leaving the service, Komis came to Santa Fe in 1944, partly because he had an uncle living in Gallup, Peter Komis said. He married Lemonia, who also was a Greek immigrant, and the two bought a restaurant at 210 W. San Francisco St., currently the site of Tia Sophia's.

"He was the cook; Mom was the waitress," Peter Komis said. The restaurant served American and Mexican foods and Greek specials, he said.

All three Komis children grew up helping in the restaurant and came to know most of the prominent townspeople of Santa Fe.

"Everybody knew him in politics, all the locals and some of the statewide people," said retired state District Judge Bruce Kaufman, who often ate at the restaurant. "He was always very encouraging to people in politics."

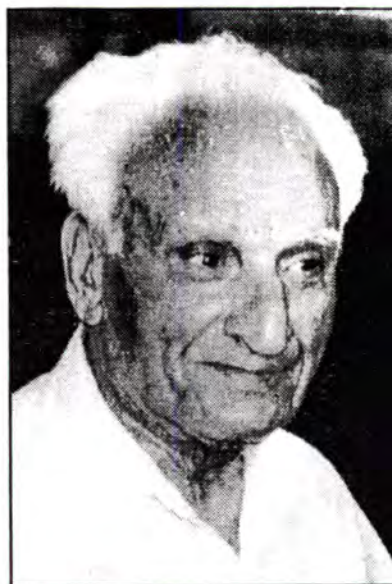
Kaufman said Komis held a master mariner's certificate, meaning he was certified to sail ships in all oceans.

Felter remembered Komis, whom he represented as an attorney, as "very kind, very humble; he came from a very, very poor background. He was highly successful because of his hard work and thrift."

"He knew everyone in Santa Fe except a few newcomers. Native Americans, Hispanics, Anglos, he treated them all alike," Felter said.

Businessman Nathan Greer owned the building in which the restaurant first was located.

"He was one of the hardest workers I've ever known," Greer said. "He worked 24 hours a day,



Friends and former customers remember John Komis as kind, humble and hard-working.

practically. He was a self-made man."

The Komises saved their earnings from the restaurant, and in 1969 bought a piece of Plaza property that extends from West San Francisco Street to Water Street, where today Salamander Leathers, Dewey Galleries and Santa Fe Eyes are located, Peter Komis said. The family still owns the buildings.

Komis sold the family restaurant in 1978, but a new restaurant there failed. Komis repos-

sessed it in 1980 and operated it for two more years, when it was sold to the owners of Tia Sophia's.

"He couldn't stand retirement," said his son, "so he reopened it at 125 East Water Street for another five years."

In 1988, Komis permanently retired from the restaurant business but continued operating his property management company, Komis Enterprises.

Peter Komis remembered one of his father's industrious plans that, unlike the rest, failed.

During the time after he initially sold the restaurant, Komis bought land near the race track and planted 3,000 tomato plants and some chile. "He wanted to be a farmer, and raise vegetables, and sell them to stores," his son said.

Instead, a hailstorm in July wiped out the crop.

Some of Komis' land in that area became the subject of a high-profile 1991 lawsuit in which Komis won a \$884,200 jury award. Part of the money was payment for land condemned by the state to build a highway bypass to serve the Waste Isolation Pilot Plant in Carlsbad.

In addition to son Peter, Komis also is survived by his wife, Lemonia; son Nick; daughter Chrissy and husband Nick Kapnisson of Albuquerque and their daughter, Nicole; and a sister, Julie Pappas of Salamina, Greece.

Visitation will begin at 4 p.m. today at Berardinelli Mortuary. A prayer service is scheduled for 5:30 p.m.

Funeral services will be held at St. Elias the Prophet Greek Orthodox Church in Eldorado at 11 a.m. Thursday. Burial will follow in Santa Fe National Cemetery.

BOYS OF ST. VINCENT
PART ONE - 6:15
PART TWO - 8:00
SEPARATE ADMISSION
CCA CINEMATHEQUE



The Compound Restaurant
27 years of excellence
International
a la carte menu
653 Canyon Rd. • 982-4353

Man in sc

By STEV
The New

A long-haired shorts attacked and ripped off busy street in a neighborhood during Santa Fe police day.

The case is as possible contact because a police report

Fired

By SHAR
The New

A Hispanic won regional nine years of Fe building suit claiming cause the comp place him with ager.

Former mar bajal makes t

PANEL

Continued from Page B-1

tionship to Garcia is a problem.

"She is my mother, but ... I don't see a conflict," Serna said. "Anyone who knows me knows that I'm my own person and that I make my decisions based on the facts and not on what anybody else thinks."

However, City Councilor Amy Manning said she has received

them to the same commission.

Other City Councilors — Patti Bushee, Steven Farber, Frank Montano and Cris Moore — said they did not disapprove of the move and that it did not violate any city or state laws.

"It is still a small city, and I think that the mayor was seeking Hispanic candidates," Montano said.

Serna, who is a secretary in the

TRAN
Final Week!
Eat, Drink,
(NR) Nightl
418 MONT
"A Guts
FRI
(R) Nightly
Grand
ST. MICHAEL'S

Promo

Judith K. Paulus, Ph.D.
123 Stockbridge Avenue
Atherton, CA 94027
Tel: 650-361-8118
Fax: 650-361-8404

September 21, 2000

The President
The White House
Washington, D.C. 20500-2000

Dear Mr. President:

I have had the privilege of meeting you at the Democratic Leadership Council, Renaissance, and the White House, in my capacity as Director of Civic and International Affairs for John Bryan at Sara Lee Corporation.

I am thrilled about your upcoming trip to Vietnam and writing to ask if you would consider my request to join as a private member of the delegation, if you are taking private sector representatives.

My reasoning is essentially fourfold:

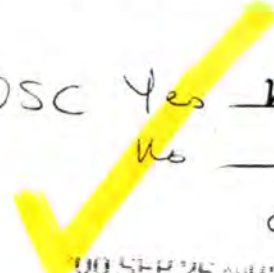
1. The last time the White House held a National Conference on Youth (1971), I headed the Task Force on Foreign Policy, reporting to the President. As 20-somethings, we urged the President to withdraw from Vietnam, and helped convince him of relentless opposition to the war among the nation's young.
2. I hold a Ph.D. from the Johns Hopkins School of Advanced International Studies and a B.A. from Stanford. Vietnam dominated so much of those years that I would love to be part of a process of constructive re-engagement.
3. Just this September I have joined an independent, bi-partisan Task Force led by Bob Kerrey and Dov Zakheim, which will make a set of recommendations on SE Asia policy for the next Administration. The dawn of a new millennium seems to be a wonderful opportunity to offer positive proposals for a region that has experienced so much devastation and misery for so much of the 20th century.

9/26/00
Send to Scheduling

Yes _____

No ☒

cc: WSC Yes ☒
No _____


cw
00 SEP 26 AM 8:41

The President
Page Two

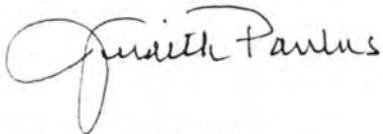
4. Finally, I am working for John Bryan now in a consulting capacity from Silicon Valley and I now have the time to engage in public policy, and to help advance the cause in leading fora like the Pacific Council on International Policy, the San Francisco World Affairs Council, and the New York Council on Foreign Relations.

I imagine you will have great interest in your upcoming trip, but I do assure you I would be an active and articulate spokesperson.

Thank you for your consideration of my request.

With best regards,

Sincerely,

A handwritten signature in cursive script that reads "Judith K. Paulus". The signature is fluid and elegant, with the first letters of the first and last names being capitalized and prominent.

Judith K. Paulus

STANFORD UNIVERSITY
STANFORD, CALIFORNIA 94305-6072

LAWRENCE J. LAU, Ph. D., D. Soc. Sc. (hon.)

Kwoh-Ting Li Professor of Economic Development
Department of Economics
Landau Economics Building, Room 340
Asia/Pacific Research Center
Encina Hall, Central Section, Room C320

Tel: (650) 723-3708; (650) 322-7500
Fax: (650) 723-7145; (650) 322-7400
E-Mail: ljlau@stanford.edu

September 21, 2000

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

'00 SEP 26 AM 9:45

Via facsimile: 1-202-456-2461; 1-202-456-1121

Dear Mr. President:

I write in my personal capacity as a naturalized U.S. citizen, and a resident of the State of California, with regard to the case of Dr. Wen-Ho Lee, now that the judicial proceedings have come to an end. I do not know Dr. Lee personally. But I feel that, all along, Dr. Wen-Ho Lee has not been given the benefit of presumption of innocence until proven guilty, a protection supposedly guaranteed to every citizen by the U. S. Constitution. I also feel that Dr. Lee has not been treated fairly. While he did break the law on the proper handling of classified information, which he also readily admitted, the enforcement of this law appeared to be highly selective and discriminatory to the average citizen. I beleive, Mr. President, that you can right this wrong and enable closure of this case by granting Dr. Lee a full pardon before you leave office. I urge your full and compassionate consideration of this matter.

Respectfully yours,



Lawrence J. Lau

9126100
Send to ~~Counsel~~ ^{Beltu}
coordinate w/ ~~Counsel~~ ^{Cumbel}
Yes ☒
No ☐

CC: Counsel

End

September 2, 2000

Bill Clinton
President
1600 Pennsylvania Avenue N.W.
Washington D.C.

Dear Mr. President,

We want to thank you so much for honoring us with the Awards. The award has brought tremendous credibility forever grateful to you for selecting us to be recipients.

Mr. Podesta made it possible for us to attend the Demo on the final night. It was an incredible experience that. Please thank him for us.

Our initiative to ban the sale of gun ammunition in the (voted on by City Council this month. We are encourage West Hollywood has proposed similar legislation for the posted.

We feel very honored to have met you and we will miss you. You will always be our special and favorite President.

Sincerely,

Niko Milonopoulos & Theo Milonopoulos
Niko Milonopoulos & Theo Milonopoulos
Co-Founders, Kidz Voice - LA

Great

9-26-00

To Cohen for reply?
Yes ☒ *No* ☐
S.

September 2, 2000

Bill Clinton
President
1600 Pennsylvania Avenue N.W.
Washington D.C.

'00 SEP 26 PM 6:35

Dear Mr. President,

We want to thank you so much for honoring us with the *President's Service Awards*. The award has brought tremendous credibility to our project. We will be forever grateful to you for selecting us to be recipients.

Mr. Podesta made it possible for us to attend the Democratic National Convention on the final night. It was an incredible experience that we will always remember. Please thank him for us.

Our initiative to ban the sale of gun ammunition in the City of Los Angeles will be voted on by City Council this month. We are encouraged because the City of West Hollywood has proposed similar legislation for their city. We will keep you posted.

We feel very honored to have met you and we will miss you when you leave office. You will always be our special and favorite President.

Sincerely,


Niko Milonopoulos & Theo Milonopoulos
Co-Founders, Kidz Voice - LA

Joseph Timber Co. LLC

83395 Airport Way
PO Box 758
Joseph, OR 97846

September 22, 2000

President Bill Clinton

Dear Mr. President:

I want to congratulate you and your administration on the successful outcome of the Western Governor's meeting this past week in Utah regarding the forest health issue. Your initiative should provide a solution to a problem that has divided the west for far too long.

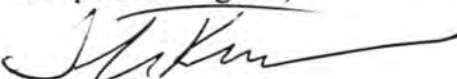
I thought you would be interested to know that my company, Joseph Timber Co., has retooled its sawmill to provide exactly the type of service needed to facilitate forest thinning and forest health. We specialize in small log processing, and have a demonstration forest in Eastern Oregon's Wallawa County that shows just how thinning can assist in biomass cleanup, fire prevention and watershed protection.

The public and private sector forest jobs are the mainstay of Wallawa County's economy. Therefore, the concept of expansion of the forest thinning and forest health program will be essential to this region. In addition, forest thinning offers the additional benefit of enhancing the Salmon Recovery Plan.

We do need your help, however, in making certain that your initiatives are carried out. To this end, I ask that you make certain that your national Forest Service Director, Mr. Dombeck, be instructed to do just that. For the past eight years, our region, especially the Hells Canyon and Snake River National Recreation areas have been largely ignored. This has created an enormous fire hazard.

Thank you again, Mr. President, for taking the lead on this issue. If you, or someone in your administration would like to see our test forest and small tree project in operation, consider this an invitation to join Governor Kitzhauber and his team when they tour our facilities this coming October 11th.

Best personal regards,


Stephen Krieger
President

cc: Richard Vind, CEO Regent International

9-26-00

To Cohen for reply?
Yes ☒ No ☐

cc: Frampton? Yes ☒ No ☐

Ricchetti? Yes ☒ No ☐

S.

Do Reply

cc: G. Frampton
S. Ricchetti



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE ASSISTANT SECRETARY FOR CIVIL RIGHTS

Staff Sec
SEP 20 2000

President William J. Clinton
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500-2002

I thank you for your letter.
SEP 26 PM 5:35

Dear Mr. President:

I am honored to have served in your administration for nearly eight years in the U.S. Department of Education. However, September 25th will be my last day in Washington as my family and I will be moving back to my hometown of Cleveland, Ohio. It has been my distinct pleasure to have also served under the leadership of Secretary Richard R. Riley. I believe we have accomplished a great deal for our country showing leadership in high standards school reform, enforcing civil rights and promoting an environment where all children can learn. It has been good work – tough at times, but always good work. Thank you for the honor to have served in your administration. You and I first met many years ago when I left Cleveland to come to Little Rock and practice civil rights law with the John W. Walker Law Firm. From that time I have admired you and your efforts to improve the lives of people. Now I am going back home to Cleveland to engage in the process of political leadership. It is highly possible that I will campaign to be Mayor of Cleveland. Whatever path I take, I know I have benefited from being a member of your team. Thank you and may God bless you and your family.

Sincerely,

Raymond

Raymond C. Pierce
Deputy Assistant Secretary
Office for Civil Rights
U.S. Department of Education

9-26-00

To Cohen for reply?
Yes ☒ *No* ☐

My wife Diane and I would love for you to have our new address:

Raymond and Diane Pierce
9346 Millcreek Blvd.
Cleveland, Ohio 44105

update
HR

cc: Charles



NOT IN OUR TOWN

1418 North Clinton Blvd.
Bloomington IL 61701

00 SEP 26 AM 8:40

September 20, 2000

NIOT 2000 Committee

Marc Miller
Darlene Miller
Jennifer Nkonga
Diana McCauley
Barb Adkins
Katherine Adams
Jose Garibay
Jennifer Hannah
Suzi Dees
Shirley Boykin

President William Jefferson Clinton
The White House
1600 Pennsylvania Avenue
Washington DC 20001

Dear Mr. President,

Matt Hale, the white supremacist leader of the racist Church of the World Creator, is coming to our town, Bloomington, Illinois on October 28 to challenge our "Not In Our Town" movement, and we need your help.

Would you please sign our pledge against racism and return it to us before the October 28 date of Mr. Hale's program? Our plan is to counter his efforts with an event of our own. And it would be a great strengthening of our efforts to have your support by way of a signed pledge.

We have been very touched by your continuing stand against racism during the course of your administration. If you are able to help us with this, we would deeply appreciate it. In any case, we extend to you our deepest appreciation.

Sincerely,

Darlene Miller
Not In Our Town Co-ordinator

P.S. And we also wish to thank you for you after Awadagin Pratt played for yo May. We'll treasure them always.

Send to Cohen?

Yes ☒

No ☐

Delia-what do you think?

Carol. Smith

9/26/00



NOT IN OUR TOWN

1418 North Clinton Blvd.
Bloomington IL 61701

00 SEP 26 AM 8:40

September 20, 2000

NIOT 2000 Committee

Marc Miller
Darlene Miller
Jennifer Nkonga
Diana McCauley
Barb Adkins
Katherine Adams
Jose Garibay
Jennifer Hannah
Suzi Dees
Shirley Boykin

President William Jefferson Clinton
The White House
1600 Pennsylvania Avenue
Washington DC 20001

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Sincerely,

Darlene Miller
Not In Our Town Co-ordinator

P.S. And we also wish to thank you for the wonderful pictures we had taken with you after Awadagin Pratt played for you at the state dinner for South Africa in May. We'll treasure them always.



NOT IN OUR TOWN

1418 North Clinton Blvd.
Bloomington IL 61701

Don't let racism win
7-25-00
Rec'd letter
9/20/00
September 20, 2000

NIOT 2000 Committee

Marc Miller
Darlene Miller
Jennifer Nkonga
Diana McCauley
Barb Adkins
Katherine Adams
Jose Garibay
Jennifer Hannah
Suzi Dees
Shirley Boykin

Melinda Nauman Bates
Director, Visitor's Office
The White House
1600 Pennsylvania Avenue
Washington DC 20502

Dear Melinda,

100 SEP 26 AM 8:41

Could we impose upon you to help us in a situation that has come up in our community? Matt Hale, the white supremacist leader of the racist Church of the World Creator is coming to our town, Bloomington, Illinois on October 28, to challenge our Not In Our Town efforts against racism.

We would love to have the President sign our pledge against racism and return it to us in time for our counter-activities on October 28.

If you can help us with the above, we would deeply appreciate it, but we also understand that your time may not allow you to do so. In either case, we extend our appreciation for your time.

Sincerely,

Darlene Miller
Not In Our Town Co-ordinator

Enclosed

Our letter to the President
The Pledge Card
Fact Sheet on the Pledge Card (2 pages)
Our Sticker
NPR Postcard (I took the picture at our first rally in 1995)
Local newspaper article about Matt Hale, September 14, 2000

P.S. Melinda, thank you so much for the lovely photos you sent us from the Awadagin Pratt event. We'll always treasure them.

LL



Pledge Card Fact Sheet

You have in your hands a foundation for the fight against racism... a pledge card that allows an individual to make a stand against racism through a simple statement of belief.

The Pledge Card

The pledge card is a statement against racism (that people sign and turn in) that reflects their stand against racism. The card has a perforated tag which is a record the signer keeps as a reminder of his or her commitment.

The Pledge Card Project

Anyone can participate in the project. Involvement is time-limited and purely voluntary. Each project should be responsibly run without pressure on proposed participants. We ask for a contact person name and we provide basic information about how to successfully introduce pledge cards to a group.

The First Step. The first step for anyone is signing a pledge card and turning it in. Once a small core has been established, they should identify the target group for pledge cards.

Planning. A Pledge Card Project involves a minimal amount of planning, but the quality of that planning determines the degree of success you can expect.

Any Organization. Any group can participate, social, civic, religious, secular, educational, labor, management, philanthropic, legal, or other. Our aim is to make this card available to as many people as possible and to allow them to make a public statement on racism.

Anywhere. The pledge card addresses taking a stand against racism in our community. We do not limit the identity of our community with neighborhood divisions, city borders, county lines, state lines, regional identities, or even national borders. Anyone who will take a stand with us is part of our community.

Time Limited. Pledge Card projects should be undertaken for a limited period of time; never longer than 30 days. The target group must be educated about the project and what is expected... those who care to participate will participate early. Extended deadlines bring in relatively few additional pledge cards; they drain volunteer time with little additional reward.

Purely Voluntary. We achieve nothing by forcing people to accept our views. While everyone should be exposed to educational and awareness efforts, people should not experience overt pressure (peer or otherwise) to sign the pledge card.

No Management Directives. In business or corporate environments, management must be careful that project goals do not overwhelm individual rights. There should be no management directives regarding participation levels. Those who stand up and voluntarily join the community of other public pledge signers have made a public stand. There are those who will sign the pledge privately, or who refuse to sign the pledge for reasons other than tolerance of racism.

Appropriate Responsible People Must Be Involved. We believe that children of reasonable age can and should make a personal stand against racism. On the other hand, when children below the age of 12 are asked to participate in Pledge Card Drives by asking others to sign, their parents should be aware of the project and approve the involvement. When children between 12 and 18 are involved, they should be encouraged to make their parents aware of the project and of the individual's involvement.

This Isn't About Money. It costs nothing to sign a card. The cards are free.

This Isn't About Condemning... It's About Taking A Stand. The Pledge Card allows people to decide that they are part of a community which will not tolerate racism. It achieves that goal by educating and promoting awareness. We do not seek confrontation or conflict.

Sample Project Timetable

Day 1. First Announcement. Tell target group: "We are working on a project which will let each of us take a personal stand against racism." This may be printed or verbal (and both is best).

Day 8. Second Announcement. Tell target group: "On (upcoming date), we will all have the opportunity to make a personal statement against racism."

Day 15. Invitation To Sign. Distribute Pledge Cards and ask those present to sign them. Sample presentation attached. Collect cards immediately. Then distribute additional cards for those present to take home to their families for signing. Set a deadline of 7 days for the cards to be returned.

Day 22. Campaign Close. Announce total participation numbers. Collect all final cards. End the project.

This timetable is based on a weekly meeting schedule, typical for churches and civic organizations. It can be modified to other intervals for other organizations.

**Sample Text**

(sample speech for the pledge card project).

We know racism is intolerable; we have always known it. Now is the time to move past accusing or arguing or defining or discussing. Our only possible conclusion is:

We cannot allow racism in our lives and in our community.

Today, all of us have an opportunity to stand up and be counted. Each of you should have received a white card with a simple statement:

I believe that people should not be judged on their racial or ethnic origin, and I commit myself to this belief in all aspects of my life.

Read it with me.

I believe that people should not be judged on their racial or ethnic origin, and I commit myself to this belief in all aspects of my life.

Take a stand. Make your voice count. Sign the pledge.

And while you are doing that, there's one more thing: signing the pledge isn't enough... signing the pledge creates in us an obligation to ourselves and to our fellow man

to work against racism in every aspect of life... to confront it positively in order to make our world better,

and

to bring this message to others... to carry these pledge cards to others and present them with an opportunity to stand against racism as well.

Sign the Pledge. Turn it in. Take more cards for others to sign. Carry the pledge to others.

My goal is that 100% of my family sign the pledge.

Our goal should be 100% of our friends sign the pledge.

100% of those we work with sign the pledge.

And once we have 100% of our teachers, our classmates, our union brothers, our managers at work, our congregations, our schools, our universities, our government officials, our police forces and fire departments, our store clerks, our bank tellers, our lawyers, our judges... then we will have 100% of our community committed to rejecting racism in our lives and in our world.

Make your stand. Sign the pledge.

The Pantagraph

62 pages, 5 sections

THURSDAY, September 14, 2000

Bloomington-Normal, Illinois 50¢

Hale plans visit to Bloomington

By STEVE ARNEY
Pantagraph staff

Matt Hale, the East Peoria white-supremacist who has gained national attention, said he will speak in Bloomington next month to counter the pro-tolerance, pro-integration messages promoted here.

A group advancing racial diversity will hold a potluck and celebrate racial differences nearby.

Hale has reserved the Community Room at the Bloomington Public Library for a 2 p.m. meeting Oct. 28.

Matthew Kubiak, the library's executive director, said he has no legal grounds to keep Hale from the facility.

Hale leads the World Church of the Creator and advocates total geographic segregation of the races. He will direct his message here toward the Nov. 7 elections and encourage people not to vote, because voting is an endorsement of a fraudulent system that does not properly represent white people, Hale said.



Matt Hale

The Not In Our Town influence in the Twin Cities also needs to be countered, he said.

"I consider Bloomington-Normal a good place for us, especially with all this minority pushing," Hale said during a telephone interview. "You can't have diversity without white people getting the shaft."

The Coalition for Diversity and Reconciliation, meeting at Moses Montefiore Temple for its monthly gathering Wednesday, decided to mark Hale's visit by holding its annual fall potluck the same day at a downtown location.

"It will be an opportunity to celebrate diversity and reaffirm our commitment," group spokeswoman Barbara Adkins said.

She said confronting Hale and his message would be counterproductive to the message of the group.

Hale has appeared in national media and at various forums. His

See HALE, back page

HALE

From A1

movement gained increased attention after a former follower, Benjamin Smith, in August 1999 killed two people and wounded nine in Illinois and Indiana in a racially motivated shooting rampage that ended when he killed himself.

Hale had gained local attention before then, passing out racist literature at a 1997 Not In Our Town march in Bloomington-Normal.

In 1998, Hale was invited to speak at Illinois State University's Global Review forum. But the campus Global Review organization dropped the invitation when it learned more about Hale's views. He attempted to force his appearance with a lawsuit but was unsuccessful.

He also has been denied a license to practice law in the state, and last

year he was fired from his violinist job by the Millikin-Decatur Symphony Orchestra.

The public library does not believe it can bar his visit.

Kubiak, whose parents survived Nazi concentration camps in Poland after fighting in the army and underground during World War II, said he would push to prohibit Hale's visit if he could. An opinion from a library law expert confirmed that the library cannot keep Hale out, Kubiak said.

Likewise, Hale said he cannot control who comes to the meeting, so minorities will not be excluded. Hale said the program probably will last an hour. He is the only speaker planned and he is unsure whether audience members will be allowed to make comments and ask questions.

Hale will not disclose how many members his church has.



National Office
130 East 50th Street
Chicago, IL 60615
Phone: 773-373-3366
Fax: 773-373-3571

LaSalle Street Bureau
308 S. LaSalle Street
Suite 1277
Chicago, IL 60604
Phone: 312-629-0500
Fax: 312-629-2655

Washington, DC Bureau
1002 Wisconsin Ave., NW
Washington, DC 20007
Phone: 202-333-5270
Fax: 202-728-1192

New York Bureau
Empire State Building
350 5th Avenue
Suite 2723
New York, NY 10118
Phone: 212-425-7874
Fax: 212-968-1412

Los Angeles Bureau
12021 Wilshire Blvd.
Suite 700
Los Angeles, CA 90025
Phone: 310-889-1111
Fax: 310-471-1453

East Palo Alto Bureau
2150 Euclid Avenue
East Palo Alto, CA 94303
Phone: 650-323-7637
Fax: 650-323-7639

Atlanta Bureau
Herndon Plaza
100 Auburn Avenue
Suite 101
Atlanta, GA 30303
Phone: 404-525-5663 or 5668
Fax: 404-525-5233

Detroit Bureau
First National Building
660 Woodward Ave.
Suite 1433
Detroit, MI 48226
Phone: 313-963-9005
Fax: 313-963-9012

September 23, 2000

Honorable William Jefferson Clinton
President of the United States
Executive Office of the President
1600 Pennsylvania Avenue N.W.
Washington, D.C. 20500

Dear President Clinton:

We have just learned that the Health Care Financing Administration is in the process of implementing a rule change that would devastate the financing of the Medicaid program in several states across the United States. This rule would slash over \$500 million from the Medicaid budget in Illinois alone. It is our understanding that issuance of this rule is imminent. Because the impact of this rule change would be so immediate and severe, I am compelled to write to you and let you know the crippling effect this rule would cause for low-income and uninsured patients in Chicago and throughout Illinois. I am requesting your immediate attention to this matter and ask that you stop this rule from being issued.

The rule that is under consideration would essentially eliminate the benefit of the Intergovernmental Transfer Program (IGT). In Illinois, these funds are essential to the health care safety net for low-income and indigent families. Without these funds, critical services to the most vulnerable communities will be eliminated. Among the potential consequences are:

- Closure of some of the largest hospital providers of care to low-income patients
- Crippling of Chicago's trauma network
- Loss of networks of dozens of primary care sites serving low-income uninsured patients throughout Illinois
- Closure of neo-natal intensive care units serving the poorest communities
- Loss of specialty services serving low-income neighborhoods
- Closure of maternity units providing care to low-income communities
- Severe cuts to the KidCare program for uninsured children in Illinois

I will be contacting you to discuss this very urgent matter.

Sincerely,

Reverend Jesse L. Jackson, Sr.

TO COHEN
for REPLY:
coordinate w/
Jennings/
Mathews

cc: Jennings
Mathews

On The Plaza • Santa Fe, New Mexico 87501



Adare Manor

9-26-00

Note to:
President Clinton
Personal friends
who were staying in
Rm 703 Saturday 9/30.
Missed seeing him.

To the
City

You will see
in Hot Springs soon.

Adare Manor
Hot Springs, AR

Adare
Santa Fe, New Mex

9-26-00

9-26-00
TO Eugenie
Bisulco for
Reply

I into your suite at Adare Manor,
ed that we were from Hot Springs,
spoke at my Ark Fed. of B+PW
in pictures with you, Virginia,
nity involvements, best friend
to Washington to be in our
ith the Chamber of Commerce
1995 (Bob and I met in
your Inauguration Jan. 1983)
of you handing me a trophy
A award in 1991? or 2? 000
checking out of 703 and
oday. Hope to see you

BEST SUCCESSES!
Janet Fisher Smith
and Robert A. Smith



The Inn At The End Of The Trail

La Jonda

9-26-00



On The Plaza • 100 E. San Francisco • Santa Fe, New Mex

9-26-00

To Eugenie
Bisulco for
Reply

Sept 23, 2000

Mr. President,

In April last year we checked into your suite at Adare Manor, Ireland... met the owner & shared that we were from Hot Springs, I graduated with Roger, Hillary spoke at my ARK Fed. of B+PW convention in the late 70's, been in pictures with you, Virginia, & Dick since '76 through community involvements, best friend Cheryl Reagan & Ronnie went to Washington to be in our Wedding & you greeted us with the Chamber of Commerce group the day after May 8th 1995 (Bob and I met in line at the Arkansas Ball of your Inauguration Jan. 1983) and I even have a picture of you handing me a trophy when I won the State SMEA award in 1991? or 2? ...

Now we find that we're checking out of 703 and you will be checking in Monday. Hope to see you in Hot Springs soon.

BEST SUCCESSES!

Janet Fisher Smith
and
Robert A. Smith



The Inn At The End Of The Trail

9-26-00

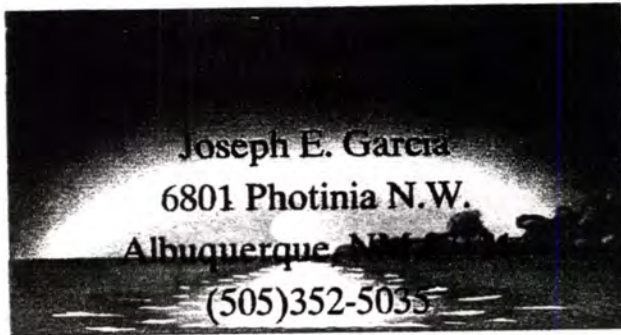
H. President, I'm the Native
American woman that you met at
the Million Mom March during
Mother's Day. My son was murdered
here in Santa Fe & my oldest son was shot in
Albuquerque with a semiautomatic gun. I would like to
speak to you again. I sell at the Palace
of Governors. Patricia Anderson

See Note on
back - Pls
Denise Nery

9-26-00

To Cohen for
Reply

9-26-00



See Note on
back - Pls
Samir Niguy

9-26-00

To Cohen for
Reply



Reply to
them

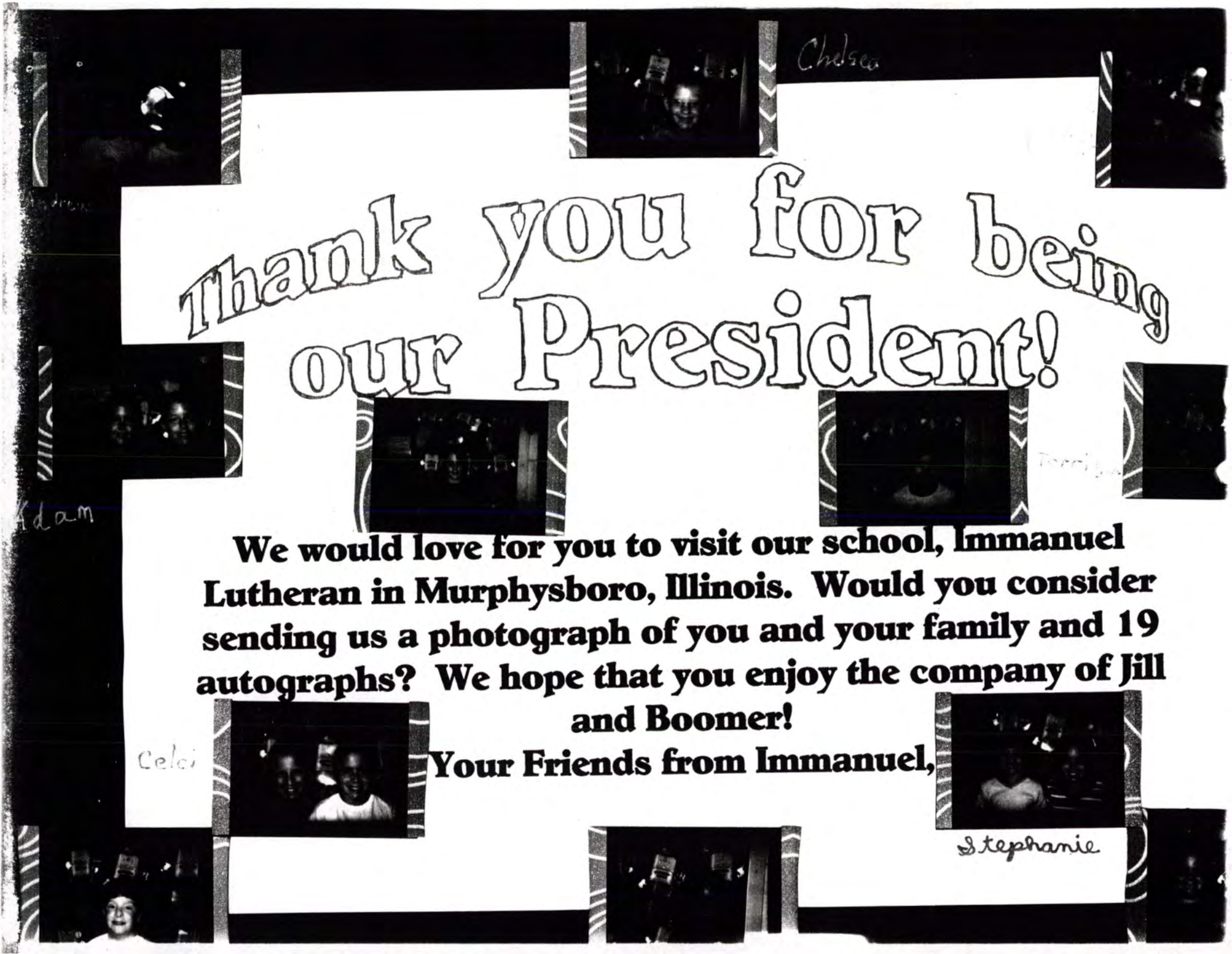
9-26-00

To Cohen for
Reply

rom

9-26-00

5



Thank you for being
our President!

We would love for you to visit our school, Immanuel Lutheran in Murphysboro, Illinois. Would you consider sending us a photograph of you and your family and 19 autographs? We hope that you enjoy the company of Jill and Boomer!

Your Friends from Immanuel,

9-26-00

September 17, 2000

Do ~~it~~
Ney
BS

Dear Mr. President,

Hi, my name is Jake Womick. I am in fourth grade at Eden Park School in Cranston, Rhode Island. I live at 84 Waterman Avenue, the only blue house on the block. If you want to, you can come to my house for dinner. My dad is a great chef and I can make a special dish also.

My Aunt Jill and Uncle Boomer are coming to the White House and are trying to meet you. They are relatives of Harry and Linda. I met Harry and Linda at Jill and Boomer's wedding.

I suggest that you should try to make a law that grown ups cannot smoke around children. My biggest concern is that kids don't have homes and food to eat. I am happy that we have a good President. Who do you want to win for President, Al Gore or George Bush?

What is your favorite food? My favorite food is pepperoni pizza rolls that my mom's friend, Linda, makes. I am nine years old, my mom is 42 and my dad is 53. Just kidding!!! They are really younger. My mom is 30 and my dad is 31. Last summer, I played baseball. I played third base the most and I hit a home run and a grand slam. My mom is coaching my soccer team and we are 3-0.

It would be really neat if you would write back to me. Please don't have someone else answer it for you. Thank you for reading my letter and enjoy the rest of your term.

9-26-00
To Cohen for
RCP 1/1

Sincerely,

Jake Womick
Jake Womick

84 Waterman Avenue
Cranston, Rhode Island 02910
401-785-1073

9-26-00

THE WHITE HOUSE
WASHINGTON

September 22, 2000

copied
Podesta
Lindsey
Original to
Cohen for
Reply

MEMORANDUM FOR THE PRESIDENT

FROM: BRUCE R. LINDSEY

RE: LYNN COLEMAN

Attached is a letter from Lynn Coleman, Sylvia de Leon's husband, following-up on a conversation you had at Mack McLarty's house last week.

Do it

9-26-00

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP

1440 NEW YORK AVENUE, N.W.

WASHINGTON, D.C. 20005-2111

TEL: (202) 371-7000

FAX: (202) 393-5760

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DIRECT DIAL
(202) 371-7600
DIRECT FAX
(202) 393-5719

September 13, 2000

BY HAND DELIVERY

The President
The White House
Washington, DC

Dear Mr. President:

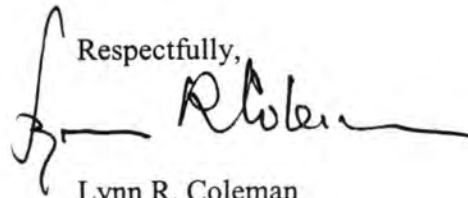
It was great to see you last night at Mack's affair for Mike Ross.

Concerning your question on whether anything can be done to moderate heating oil prices, I would say that prompt effective action using the Strategic Petroleum Reserve for limited crude oil swaps should have a favorable impact on heating oil prices as well. Heating oil is made from crude oil, and its pricing generally follows the crude oil market. There can be market peculiar gyrations and seasonal variances related to inventory, but over any reasonable time the product markets reflect the crude market. So, if SPRO swaps, plus the extra oil production from OPEC, reduce crude prices, some favorable result in the heating oil market might be expected.

Attached is an editorial in today's New York Times, by a friend of mine, Philip Verleger. He too is an old Carter energy hand who has studied these markets more than anyone I know. His point that you have the ability to affect the oil price equation is I think well taken.

Best of luck,

Respectfully,



Lynn R. Coleman

LRC/klo
Attachment

Opinion

EDITORIALS | OP-ED | LETTERS

The New York Times
ON THE WEB[Home](#)[Site Index](#)[Site Search](#)[Forums](#)[Archives](#)[Marketplace](#)

September 13, 2000

[✉ E-Mail This Article](#)

Taking Power Over Oil

By PHILIP K. VERLEGER JR.

NEWPORT BEACH, Calif. -- The cost of oil is rising again, and the conventional wisdom in the industrialized countries is that prices can only come down if OPEC increases oil production. President Clinton, meeting with the Saudi crown prince, Abdullah, last week in New York, followed this line, cautioning the prince that high oil prices threaten the global economy. The finance ministers of European Union nations echoed his warnings and called on OPEC to pump more oil.

Listening to these politicians or to spokesmen of the American oil industry, one might conclude that the entire problem is the fault of the Organization of Petroleum Exporting Countries. OPEC did, indeed, cut production in March 1999, when oil prices were around \$10 a barrel, and in reaction to the reduced supply, prices more than tripled. **But the West is not powerless in the pricing of oil.**

For decades, American strategy has been dictated by the assumption that only OPEC could bring oil prices down. Time and again Americans are treated to the spectacle of our officials prostrating themselves before officials from Saudi Arabia, Mexico and Venezuela to beg for more oil. These officials seem less like leaders of the free world than like Oliver Twist pleading, "Please, sir, I want some more."

Not only is this approach to oil diplomacy humiliating, but it is also completely unnecessary. **We can keep prices down on our own.**

The world's leading industrialized countries hold more than 1.2 billion barrels of oil in their strategic reserves — stockpiles created 25 years ago in reaction to the Arab oil boycott. Nearly half of this oil is owned by the United States, and Energy Department officials have outlined a creditable plan to use the stocks to moderate prices this winter: The government would lend up to one-third of its crude reserve to refiners before demand reached seasonal peaks, on the guarantee that the refiners would return the crude later in the year.

If Washington were to do this today, crude prices would be likely to fall by at least 15 percent and possibly by 20 percent, which might prevent heating oil prices from rising to \$2 a gallon this winter.

Moreover, instead of asking refiners to return the same number of gallons of oil in the spring, the government could require them to return oil with an equivalent dollar value. Because spring crude

futures can be bought at relatively low prices, refiners would end up returning more oil than they borrowed, at no monetary loss. This would mean a larger strategic reserve for the future.

A similar plan to release some of the strategic reserve was advocated last fall by Senators Charles Schumer, Democrat of New York, and Susan Collins, Republican of Maine. Yet nothing was done, and consumer heating oil prices soared above \$2 a gallon in New England.

Why does our government choose to beg rather than act? There seems to be a combination of reasons. One is the predictable governmental fear of upsetting a status quo, especially one involving the geopolitically sensitive nations of the Middle East. Another is an ideological hesitancy to have the government interfere with the free market (as though the OPEC-dominated oil trade in any way resembled a free market). Also, we are under pressure from our allies in Europe and Japan, who seem timid about upsetting Saudi Arabia.

The American failure to tap into the reserve is part of a larger bankruptcy in energy strategy. For example, the government advocates increased use of clean fuels like natural gas, low-sulfur diesel fuels and reformulated gasoline. However, it opposes steps that would actually increase production of these fuels, such as leasing more offshore land for exploration or loosening environmental regulations that make it hard for companies to overhaul their existing refineries.

Likewise, the government pushes the deregulation of electric utilities, yet little has been done to break the monopolies that traditional utilities have over distribution grids. When monopoly practices cause prices to rise, the government's standard response is to blame consumers for excessive consumption.

As for tapping into the oil reserve, there is a perfect model for using government power to bring sanity to the market: the success of the Federal Reserve in using monetary policy to keep the economy on an even keel over the last two decades. One hopes that President Clinton and Energy Secretary Bill Richardson will realize that they have the same types of tools used by Alan Greenspan. They only need to decide to use them.

There is no need to go to OPEC on bended knee.

Philip K. Verleger Jr. is a partner with the Brattle Group, an economic consulting group in Cambridge, Mass.

 [E-Mail This Article](#)

9-26-00

Notes to Marty

*To Cohen
for Reply*

Marty J. Hoffmann

09/01/2000 02:15:42 PM

Record Type: Record

To: Betty W. Currie/WHO/EOP@EOP

cc: Stephanie A. Cutter/WHO/EOP@EOP, Sonya N. Hebert/WHO/EOP@EOP, Erica R. Morris/WHO/EOP@EOP

Subject: Speaker Info from yesterday's Estate Tax Veto Message Event

EVENT: Budget Priority Event (H.R. 8 Estate Tax Veto Message Event)

DATE: Thursday, August 31, 2000

RE: Bios/Addresses for Speakers

Dr. Martin Rothenberg (guest: Sandra, daughter)
President of Glottal Enterprises
1201 East Fayette St.
Syracuse, NY 13210

Martin Rothenberg, age 67, grew up in New York City in a working class family. His father was a house painter, and his mother repaired sewing machines. After serving in the Army, he received his college degree through the GI Bill. In 1991, with his family's savings of roughly \$500,000, he founded Syracuse Language Systems, an educational software company that helps children with language disabilities. Four years ago, he sold Syracuse Language for \$30 million. After distributing his profits among his 3 children and starting a new foundation -- the Joan Rothenburg Family Foundation -- Martin founded Glottal Enterprises, a manufacturer of computer-based systems for the remediation of speech communication disorders. Martin believes that an estate tax is necessary in this nation to help close the gap between the rich and poor. He also believes that a repeal in the estate tax comes down to a question of priorities. Instead of giving a tax break to the top 2% of the nation's wealthiest families, Martin feels should take advantage of our enormous, unprecedented prosperity and meet such challenges as building new schools, providing health insurance to the uninsured, and improving education for America's children.

Sandra Rothenberg, Martin's daughter, will be accompanying him. She runs the family foundation, and teaches business administration at the Rochester Institute of Technology. Martin and his daughter are both advocates for the President's veto.

John Sumption (guest: Margaret, wife)
10953 390th Ave
Frederick, SD 57441

John and Margaret Sumption own an 1,800 acre family farm in Frederick (Brown County), South Dakota. Farming has been in John's family for generations. With four of the Sumption's children already owning their own farms, John and Margaret would like to pass along their farm to their 5 children. The Sumption's raise livestock (beef cattle) and harvest grain (wheat, barley, oats, corn, soybeans, some flowers). The farm is currently worth roughly \$2 million (net). With proper planning, John and Margaret expect to be able to pass it on to their children. John also stands to inherit his father's farm; with planning, John's father will be able to pass on the farm to him.

While John thinks the estate tax law is currently too complicated, he believes that it is still necessary for large estates and does not support abolishing it. To help the smaller farms with estate planning, John supports the \$4 million estate tax relief plan. Of the 2 million farms across the nation, 98% of them are not subect to the estate tax.

Do try
to him

9-26-00

9-26-00
To Cohen for
Reply

Bernard Cardinal Law

Forgiving Debts of the Poor

For many religious believers, the year 2000 is a Jubilee Year, a time not just to celebrate the millennium but to make new beginnings and to right old wrongs. In the Old Testament, Jubilee called in particular for a fresh start for the poor, for reestablishing justice and equity. In the spirit of the Jubilee, the Archdiocese of Boston recently forgave \$28 million of debts, owed mostly by the 30 poorest parishes. This step is similar to actions by other dioceses and is linked to Pope John Paul II's urgent call for debt relief for poor countries during this year.

More than 30 very poor countries owe well over \$100 billion, most to other governments and international organizations such as the World Bank and the International Monetary Fund. Like the Holy Father and other religious leaders, many governments, including our own, many prominent economists and policymakers and key members of Congress have called on the wealthiest nations to reduce this crushing debt burden of the poorest.

In the next few weeks, Congress will decide whether the United States will do its small share. This is the last chance to make the year 2000 a time of hope for millions of the world's poorest people. It will take \$435 million.

This is an amount large enough to make an important difference to many of the poorest countries, but a tiny three-hundredths of one percent of the federal budget. This small amount would fund two years of the U.S. commitment to the debt relief program approved by the G-7 leaders last year at Cologne, Germany. It is an amount that would encourage other countries holding much more debt than the United States to come forward with their much larger share of the cost of the program.

Unfortunately, it is also an amount that Congress so far has been unwilling to provide.

I find it very difficult to explain to Catholic bishops, missionaries and relief workers in Africa and Latin America why the United States, blessed with such wonderful resources and such a powerful economy, is reluctant to commit such a relatively small amount. They know our budget has a surplus projected to reach trillions of dollars over the next decade. Nor do I have an answer to the pope's appeal. He asked many months ago: "[Why is] progress in resolving the debt problem . . . still so slow? Why so many hesitations? Why the difficulty in providing the funds needed even for already-agreed initiatives? It is the poor who pay the cost of indecision and delay."

A U.S. failure to fulfill its Cologne pledge would be devastating. If the United States walks away from its commitment, others will surely follow, thus jeopardizing the whole program. Already major debt re-

lief for Bolivia and Honduras is being held up for lack of U.S. funding. The possibility that this initiative will fail is something that our church partners in Africa and Latin America dread to contemplate. Through a host of church institutions, from relief and development programs to hospitals and schools, they are with the poorest of the poor and see every day in countless ways the practical consequences of debt.

They know that debt relief is not a panacea. It alone will not end poverty. Poverty is much too complex and deep-seated for that. They know that it must be tackled first by their own governments and people working together on a variety of fronts for the common good. Yet their people are too poor to do it

alone. Unless the debt burden is sharply reduced, it will continue to drain resources needed for education, health and other essential investments, and make the task of poverty reduction immensely more difficult.

A few weeks ago, the Senate and the House were set to approve only very small amounts for poor-country debt relief. Then something most heartening occurred during the House floor debate on the foreign aid bill. Members from both sides of the aisle stood

up to press for much more substantial relief.

Rep. John Kasich, chairman of the Budget Committee, argued that, with our "unprecedented economic power, it does not make any sense to not share some of the bounty that we have with those that have little." Rep. Spencer Bachus, the Alabama Republican, explained: "[I]t is not a total solution to poverty, to hunger, to disease; but it is the first step. It is a necessary step. It is where the journey should begin to free these countries of the burden of debt, the chains of poverty, the shackles of despair."

In the end the House voted to triple funding for debt relief, but this is still only about half what is needed. I hope, nevertheless, that the momentum generated by the signs of substantial bipartisan support for generous funding will translate into the full appropriation of \$435 million. With the crowded agenda and the rush to adjourn, funding for debt relief could get pushed aside. I hope that this does not happen. My fervent prayer is that, when Congress adjourns, we will be able to say to the people of Africa and Latin America: "Yes, our country, which has been blessed with so much, will act, in the spirit of Jubilee, to allow a fresh start for the poorest of the poor in your country."

The writer is Catholic archbishop of Boston and chairman of the U.S. Catholic Conference's Committee on International Policy.



REUTERS

THE WHITE HOUSE

Washington, DC



OFFICE OF THE STAFF SECRETARY

Fax Transmittal Sheet

To: RICK SAMONS

Fax Number: 456-9280

Telephone Number:

From: ADAM ROSMAN

Subject: EXECUTIVE ORDER - ASSISTANCE TO SMALL BUSINESS
EXPORTERS AND DISLOCATED WORKERS

Date: 9/26/00

Number of Pages (including cover sheet): 4

Message:

(If all pages are not received, please call (202) 456-2702.)

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THE WHITE HOUSE

Washington, DC



OFFICE OF THE STAFF SECRETARY

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THE WHITE HOUSE

Washington, DC



OFFICE OF THE STAFF SECRETARY

Fax Transmittal Sheet

To: RICK SAMONS

Fax Number: 456-9280

Telephone Number:

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Subject: EXECUTIVE ORDER - ASSISTANCE TO SMALL BUSINESS
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Date: 9/26/00

Number of Pages (including cover sheet):

4

EXECUTIVE ORDER

- - - - -

ASSISTANCE TO SMALL BUSINESS
EXPORTERS AND DISLOCATED WORKERS

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the Small Business Act, 15 U.S.C. 631 *et seq.*, the Workforce Investment Act, 29 U.S.C. 2801 *et seq.*, and the Trade Act of 1974, 19 U.S.C. 2271 *et seq.*, and in order to assist small businesses, including businesses headed by underserved populations, in participating in the export of products, and to expedite the delivery of adjustment assistance to dislocated workers, it is hereby ordered as follows:

Section 1. Policy. By its accession to the World Trade Organization, the People's Republic of China will be required to open its markets to a wide range of products and services provided by Americans. In addition, the United States has recently enacted a new law to facilitate trade with the countries of Sub-Saharan Africa and the Caribbean Basin. Federal agencies should take steps to assist the participation of small businesses, including businesses headed by underserved populations, in capitalizing on these new opportunities. The agencies should also take steps to assist workers who lose their jobs as a result of competition with imports in their efforts to secure adjustment assistance benefits for which they are eligible.

Sec. 2. Interagency Task Force on Small Business Exports.

(a) The Secretaries of Commerce and Labor, the Administrator of the Small Business Administration, the United States Trade Representative, and the Chairman of the Export-Import Bank shall, within 60 days from the date of this order, establish an interagency task force through the Trade Promotion Coordinating Committee (TPCC). The task force shall facilitate exports by United States small businesses, including businesses headed by underserved populations, particularly with respect to the

People's Republic of China and the countries of Sub-Saharan Africa and the Caribbean Basin. The TPCC shall submit an annual report to the President on the functions carried out by this task force during the preceding year. As part of its work, the task force shall assess the extent to which the establishment of permanent normal trade relations with the People's Republic of China, and the United States enactment of the African Growth and Opportunity Act, 19 U.S.C.A. 3701 *et seq.*, and the United States-Caribbean Basin Trade Partnership Act, 19 U.S.C.A. 2701 note, may contribute to the creation of export opportunities for small businesses including businesses headed by underserved populations.

(b) For the purposes of this order, "businesses headed by underserved populations" means businesses headed by women or minorities, and/or located in rural communities.

Sec. 3. Expedited Response to Worker Dislocation. (a) The Secretary of Labor shall expedite the Federal response to worker dislocation through the Workforce Investment Act and the Trade Adjustment Assistance program by proactively seeking information on actual or prospective layoffs from a variety of sources, including the media and community and labor union members, and by sharing such information with appropriate state workforce officials. In addition, the Department of Labor (Labor) shall undertake a number of proactive steps to support public outreach activities aimed at workers, employers, the media, local officials, the community, and labor organizations and their members to improve awareness of the adjustment assistance available through Labor programs, including, but not limited to:

- (1) developing a set of methods to inform employers of the services available through Labor workforce programs, which will explain the requirements of the Worker Adjustment and Retraining Notification Act, 29 U.S.C. 2101 *et seq.*, and provide information on worker adjustment programs, including the Trade Adjustment Assistance and the basic dislocated worker programs, emphasizing the importance of early intervention to minimize the affects of work layoffs;

- (2) improving websites and other modes of communications to provide basic information on dislocated worker and Trade Adjustment Assistance program contacts at the State and local level;
- (3) developing a National Toll-Free Help Line to provide universal, accurate, and easy access to information about public workforce services to workers and employers;
- (4) providing on-site technical assistance, in partnership with other Federal agencies, when there are layoffs or closures with multi-State impact, or when there are dislocations with significant community impact (such as areas that have been affected by numerous layoffs of apparel and textile workers);
- (5) informing States directly when a secondary worker impact has been affirmed by Labor; and
- (6) to the extent permitted by law, and subject to the availability of appropriations, providing funding or an outreach campaign for secondary workers (i.e., individuals indirectly affected by increased imports from other countries).

(b) The Secretary of Labor, in consultation with the Secretary of Commerce and the United States Trade Representative, shall report annually on the employment effects of the establishment of permanent normal trade relations with the People's Republic of China.

Sec. 4. Judicial Review. This order does not create any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its officers, its employees, or any other person.

THE WHITE HOUSE,

THE PRESIDENT'S OFFICE
9-26-00

THE WHITE HOUSE
WASHINGTON

copied
Graham
Butler
Street
Podest
Scheduling
for Reply

September 26, 2000

MEMORANDUM TO THE PRESIDENT

FROM: LAURA GRAHAM
SHANNON BUTLER JB

SUBJECT: SUNDAY, OCTOBER 1

CC: NANCY HERNREICH

We wanted to make you aware of the following options for your schedule. You have the day and evening off in DC on Sunday, October 1. The First Lady will Ron in DC Saturday night and will probably return to NY in the morning to attend a synagogue or church. If you would like to attend church, there are three options in which you might be interested. Please note which of the following services, if any, you would like to attend.

Brian Harbour has invited you to hear him preach at Calvary Baptist church. This service will open the annual meeting of the Baptist Joint Committee. (10:45AM service) Would you like us to keep this as an option on your schedule?

☒ Option ☐ Regret

OPL also wanted you to know that "Red Mass" is taking place on this day at St. Matthew's Cathedral. The "Red Mass" is offered on the last Sunday before the first day of arguments before the Supreme Court. You have attended this twice in the past. (10AM service) No one recommends that you attend. Would you like us to regret this or keep it as option?

☐ Option ☒ Regret

Valerie Crotty invited you to attend the service at St. John's Lafayette Square where there will be altar flowers in Bill Crotty's name (former Ambassador to Barbados). (11AM service) Would you like us to regret this invitation or keep it as an option?

☐ Option ☒ Regret

to Graham
Butler
12-1-00



Edward Scott

and the Restless

9-26-00

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Podesta

ED SCOTT
Executive Producer

Save The Earth, and my friend since the third grade
trouble, played sports, went to school and generally
when someone would offer him a Coke, he would ask for
baseball. My family moved in 1955. Neal was
contact. In 1960 my family moved again. The next
horror. I saw a guy that looked, sounded and acted
Pargman. Let me tell you that seeing him in that
!! I will never forget it. We meet again. We hang out,
he!) Neal goes off to San Francisco State and I to Cal

made me find him. I tried several times. Finally, my
I had since become the executive producer of "The
successful television shows and had married one of the
ties and seventies Neal became aware of the
when he tried to sell the idea of Save The Earth, people
are asking, "How do we do it?" Neal was always a
Earth Foundation, that funds environmental research in
percentage of the water sales is set aside just for that

story of his long struggle to capture his dream of
him was larger than friendship. I, too, was worried
and the story, she wanted to be our spokesperson.
partners in Save The Earth.

' success and he is still trying to spread the word.
since we believe in him, his cause, his dream -
was when we were kids.

through Rykoff/Sexton and Mountain Peoples
Arrowhead, Calistoga, Crystal Geyser, and Naya, (to
don't contribute to the environment.

could hear some wild stories about the last 25 years, or
and the millennium.

The Young and the Restless



9-26-00

copied
Frampton
Podesta

EDWARD SCOTT

Executive Producer

Let me introduce you to Neal Pargman, founder of Save The Earth, and my friend since the third grade in West L.A. (During the 50's, we hung out, got in trouble, played sports, went to school and generally enjoyed life!) Neal was a funny guy. (Still is!) When someone would offer him a Coke, he would ask for water. He loved water. Loved the outdoors. Loved baseball. My family moved in 1955. Neal was stranded without me and I without him. We lost contact. In 1960 my family moved again. The next thing I knew I was in high school, walking down a corridor. I saw a guy that looked, sounded and acted like Neal. Sure enough, it was my old buddy, Neal Pargman. Let me tell you that seeing him in that crowded hallway was more than a coincidence and I will never forget it. We meet again. We hang out, get in trouble, play sports. We graduate. (A miracle!) Neal goes off to San Francisco State and I to Cal State Northridge. Life separated us once again.

So in 1987, 23 years later, something inside me made me find him. I tried several times. Finally, my wife Melody was able to make contact with his dad. I had since become the executive producer of "The Young and the Restless," one of the world's most successful television shows and had married one of the stars of the show, Melody Thomas Scott. In the sixties and seventies Neal became aware of the deterioration of the quality of the environment. When he tried to sell the idea of Save The Earth, people would say "Save the earth from what?"... Now they are asking, "How do we do it?" Neal was always a little ahead of his time. He started the Save The Earth Foundation, that funds environmental research in colleges and universities around the country. A percentage of the water sales is set aside just for that purpose.

After finding Neal this last time and listening to the story of his long struggle to capture his dream of Save The Earth, I then realized that my quest for him was larger than friendship. I, too, was worried about the state of our planet and when Melody heard the story, she wanted to be our spokesperson. Soon after that reunion in 1987, we all became partners in Save The Earth.

Neal's story is that of a twenty five year "overnight" success and he is still trying to spread the word. Melody and I joined Save The Earth in 1987 because we believe in him, his cause, his dream - Educate... Act... Improve. Get it back to the way it was when we were kids.

His water (still Neal's favorite drink!) is available through Rykoff/Sexton and Mountain Peoples Warehouse. Other waters are available, such as Arrowhead, Calistoga, Crystal Geyser, and Naya, (to mention a few), but they are foreign-owned and don't contribute to the environment.

Neal can be reached at (818) 88-EARTH. You could hear some wild stories about the last 25 years, or he'd be happy to talk to you about Save The Earth and the millennium.

Sincerely,

Edward Scott

7800 Beverly Boulevard
Los Angeles, Calif. 90036
Suite 3305

9-26-00

September 18, 2000

Dear Mr. President,

*Sony - I think he (the Greek on night)
 that at long on the Thales back Stewart's
 'This says to' policy that'll get nowhere -
 do we have other cards to play? -*

It seems that the State Department has changed their proposal allowing the Greek Cypriots to stay and work for a settlement. That is good. Seems to me Al and the guys don't really know the history and how everything has come down. They should know that Danktosh, before the troubles started over there was talking about the fact that he wanted to split the country and rule the Turks. No Greek had killed a Turk or visa-versa until he started his systematic causing of trouble between the two, which then he felt justified the invasion. Of course they assumed the US would not really have the guts to make Turkey get out, which they did not, and so here we are. You are the only President with the GUTS to do something about it.

Anyway, once Al back peddled on the ridiculous proposal of the other day the Greeks said, "Now lets get out the maps and talk about how the land and population might be split up." Danktosh then said, "Oh we have to do that in November, I don't have my experts here."

Well, Mr. President you know what he is doing. I hope Al and Madeline don't let him get away with that. He is waiting for the election, hopping Gore's or Bush's state department will be quite different than yours and that those Presidents may not put Cyprus on any kind of a priority. He also knows that when Turkey meets with the UN in November about getting into the UN they will say, "Oh we are negotiating on that Cyprus thing." (Knowing full well that Danktosh will do nothing in November either. Just another insincere facade delaying tactic that no one will call them on.)

Seems to me that several things need to happen if there is to be any progress this month. Danktosh needs to know that delaying the meeting until November will not convince the UN that he has negotiated anything in good faith. There needs to be real progress NOW. Not excuses. Give me a break. Please don't let the state department act like they believe Danktosk's excuse.

It also seems to me that if you and Gore got together and let Turkey know right now that things will not change in November, that might help. Gore should like it, because you would be taking on this tough nut now, instead of him having to tackle it or maybe he can get some of the credit for it with you doing the bulk of the hard work now. Just a thought.

Also if the Holbrook would, right now, let the Turks know that they do not consider this last excuse progress and that unless TRUE progress is made NOW, all bets are off for them getting into the UN. Just another thought.

I would have worked cheap as a foreign affairs advisor. HA

Your Friend,

David L.

*I will fax in about an hour a historical recap of
 before the Danktosh.*

*Copied
 Berger
 NSC wwdesk
 Podesta*

President Clinton

Here are the tactics Denktash has used over the years. Al might be able to use this. Please don't let it happen again. thanks

David L.

A handwritten signature in black ink, appearing to read 'David L.', with a stylized, cursive script.

A Chronology of Denktash Preventing Successful Cyprus Settlement Efforts

[9/20/00]

August, 1984	High level UN talks in New York end when Denktash refuses to negotiate on the vital issues.
April, 1985	Greek-Cypriots accept but Denktash rejects a document submitted by the UN Secretary General.
1987	Greek-Cypriots accept but Denktash rejects new UN procedural proposals.
July, 1989	Denktash: (1) rejects the U.N. Secretary General's "set of ideas" presented to facilitate discussions on a comprehensive agreement; (2) questions the mandate of the UN Secretary General (through resolution adopted by Turkish-Cypriot parliament); and (3) raises unacceptable preconditions for the continuation of the talks.
March, 1990	The UN Secretary General's new initiative breaks down when Denktash demands certain preconditions for the resumption of settlement talks.
June, 1991	Denktash rejects the UN Secretary General's call for the need for urgent progress on settlement efforts.
June, 1992	Talks in New York breakdown due to Denktash's intransigence, despite intensified efforts of the UN Secretary General and the Five Permanent Members of the UN Security Council to persuade Denktash to be more flexible. The U.N. Secretary General's report states that "the Turkish Cypriot side needs to show more necessary willingness" and warned that it may be necessary "to give consideration to alternate courses of action."
October, 1992	Talks in New York break down because, as the UN Secretary General stated in his report, Denktash's positions were "incompatible" with the UN positions endorsed by the Security Council.
June, 1993	UN talks in New York end when Denktash fails to return after a recess in the talks.
March, 1994	High level UN talks in New York end because of, as the Secretary General stated in his report, "a lack of political will of the Turkish-Cypriot side."
October, 1994	Talks in Nicosia, Cyprus fail because Denktash insists on separate sovereignty for the occupied area.
August, 1997	Talks in Glion end and the UN clearly identifies Denktash and the Turkish-Cypriots as the reason. The President of the UN Security Council stated that "substantive progress this time was impeded by the attempt to bring in preconditions to the table by the other party and here of course I mean the Turkish-Cypriots"

C. Jennings - should use
Commonwealth - BC

9-26-00

ASSESSMENT OF THE EARLY TREATMENT FOR HIV ACT OF 1999

Summary: The Early Treatment for HIV Act of 1999 (HR 1591/S 902) would create a new optional Medicaid eligibility category for low-income individuals infected with HIV. The legislation would allow non-disabled individuals with HIV to obtain Medicaid coverage without having to meet the SSI definition of disability. HIV-infected individuals in states electing this option would qualify for coverage if their income and resources do not exceed the level used to determine Medicaid eligibility for disabled individuals. Preliminary CBO estimates on this legislation are \$1.4 billion over five years and \$4.6 billion over ten. HCFA's Office of the Actuary has not scored this bill.

Issues:

- **General concern about disease-specific Medicaid coverage expansions:** The Administration has traditionally been hesitant to support disease-specific expansions of the Medicaid program because they create inequities between individuals with different diseases. We did, however, propose legislation that would provide an optional Medicaid eligibility category for low-income individuals diagnosed with breast or cervical cancer in the Budget.

Suggested Response:

- Generally concerned about opening the door (more) on disease-specific Medicaid coverage. However, we have proposed and enacted demonstrations that will provide hard evidence of the cost savings and/or health benefits of early coverage. These include:
 - **Medicaid 1115 demonstrations for persons with HIV/AIDS:** HCFA is currently working with several States to develop budget neutral Section 1115 waiver proposals that would provide Medicaid coverage to individuals living with HIV. HCFA released guidance in May on the information States can provide HCFA to facilitate the review process of HIV/AIDS 1115 waiver proposals. These waivers will allow States and HCFA to test the health and budget impact of expanding Medicaid to cover additional individuals with HIV. In February, HCFA approved the first HIV/AIDS demonstration waiver in Maine. The waiver is to be budget neutral and will provide coverage to approximately 300 individuals with family income up to 300% FPL. The demonstration will allow the State of Maine and HCFA to test the health and budget impact of 1) covering this population earlier in the disease process, and 2) allowing individuals currently on Medicaid who wish to return to work to maintain their health insurance coverage.
 - **Ticket to Work and Work Incentive Improvement Act Demonstrations:** The Jeffords-Kennedy bill, enacted in December 1999, created a \$250 million demonstration to provide health coverage to individuals whose disabilities are not yet severe enough to qualify them for SSI or Medicaid. HCFA recently released a solicitation inviting States to participate in the demonstration. This demonstration represents another avenue through which States can seek to expand coverage to people with HIV/AIDS.

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Jennings
Podesta

9-26-00

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3141 Chestnut Street
Philadelphia, PA 19104
215 895-2100
Papadakis@drexel.edu

55000 - They want up to 50
thousand dollars
Dr. Constantine Papadakis
President
united in Pa - DC

DREXEL UNIVERSITY

Foundry United Methodist Church

J. Philip Wogaman
Senior Minister

9-26-00

September 22, 2000

*copied
Berger
NSC w/ desk
Podesta*

Dear Mr. President:

Carolyn and I are going to be in Europe for the first half of October (leaving here Oct. 4). The McGoverns have invited us for a visit in Rome, and later—from Oct. 12 to 16—we'll be in the Republic of Macedonia.

You may remember my saying that President Boris Trajkovsky of the Republic of Macedonia is a fellow United Methodist with whom I have been acquainted for a number of years. (We were both delegates to three General Conferences of our church.)

We'll be seeing him in Macedonia, and it occurs to me that you might like me to take a letter of greeting, perhaps thanking him for the support his country gave for Kosovo refugees and encouraging him and his country in its development of genuinely democratic government.

The Republic of Macedonia, like the rest of the Balkans, has a whole lot of tragic conflict in its history, and we want to encourage them in every way we can.

Grace and peace,

Phil

Thanks again for your far-sighted statement on global issues to the religious leaders breakfast the other day — and for your gracious comments introducing me for the luncheon.



ESTABLISHED IN 1814

1500 16th Street, N.W., Washington, D.C. 20036 (202) 332-4010

*Should
decide
if
appropriate*
**Handwritten
Get it right**

9-26-00

THE WHITE HOUSE
WASHINGTON

September 26, 2000

00 SEP 26 AM 9:23

*Copied
Graham
Butler
Street
Podesta*

~~MEMORANDUM TO THE PRESIDENT~~

FROM: LAURA GRAHAM *LG*
SHANNON BUTLER *SB*

SUBJECT: MONDAY, OCTOBER 2

CC: NANCY HERNREICH

You sent us a note indicating the NARAL event in Los Angeles on October 2 is important to Kate Michelman. You have several meetings and events scheduled in DC for this day. Would you like to tape a video or would a Presidential message be sufficient?

☒ Yes, I would like to tape a video.

☐ No, a Presidential message is sufficient.

9-26-00

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Ballentine
Podesta

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TB R Ballentine



9-26-00

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unpublished
Fred Mednick, Ed.D. *guy*

Executive Director

By EA Howard
in contact
with Re

mednick@home.com
2880 74th Avenue, S.E.
Mercer Island, wa 98040-2635
office 011+(206) 230-8126
fax (520) 563-7858

9-26-00

Give the D.C. Courts a Chance

THE PAST FEW years have been rough for the D.C. court system. Ever since the D.C. Revitalization Act handed responsibility for the courts to the federal government, they have been tangling with Congress over money. The disputes have stemmed in part from natural adjustment pangs, in part from mismanagement and budgetary brinksmanship at the courts. Court-appointed lawyers for the poor have gone stretches without being paid, and the courts have lost credibility with members of Congress.

Now, though, a new Superior Court chief judge is assuming office and there are signs of unproved management. Congress should respond to and encourage these trends by giving the courts the money they need to rebuild. The current austerity budget is preventing important hiring and hurting the courts' services and morale. D.C. court personnel are paid on average far less than com-

parable federal court or executive branch staffers. Senate appropriators have approved funds necessary for a substantial raise and some needed physical improvements. But the House D.C. appropriations bill gives \$9 million less, which would prevent an adequate raise, and \$4 million less for payments to court-appointed lawyers. The combined shortfall would harm staff retention and recruitment and invite another budget crisis as the fiscal year winds down.

House members' frustration is understandable, but even the House appropriators acknowledge that things are headed in the right direction. The appropriations committee report says members are "encouraged by the progress" at the Superior Court and D.C. Court of Appeals. Given that, and the federal government's commitment to support the D.C. court system, the House should give the courts a fighting chance to continue turning things around.

Mr. Clinton's AIDS Challenge

AT A COMMENCEMENT address in 1997, President Clinton set a target of creating an AIDS vaccine within the space of a decade. Three years later there is encouraging progress toward that objective. Preliminary trials on human beings have begun for more than 20 potential vaccines. The president is supporting legislation in Congress to speed vaccine development with tax credits and to create an incentive to market vaccines in poor countries that profit-seeking firms would otherwise overlook. Thanks to presidential pressure, the budget for AIDS vaccine research at the National Institutes of Health has more than doubled since 1997. Yet Mr. Clinton's efforts remain incomplete in one respect. One of the most promising approaches to vaccine development is not getting his support.

That approach is led by the International AIDS Vaccine Initiative, a small group that works with biotech start-ups to do fast-track vaccine development. The Initiative's theory is that high-tech innovation often comes from small, flexible companies but that these can't attract private venture capital to make products for developing countries. The group corrects that market failure by providing capital. Rather than demanding a stake in the profits it asks only that a successful vaccine be distributed in developing countries cheaply.

The Initiative's "social-venture capitalism" shows some signs of working. The British authorities have approved human trials of one potential vaccine the group backed; the go-ahead for a second one was announced last week, and a third may get the green light in the United

States early next year. All three research projects have progressed quickly. And unlike most other potential vaccines, they are targeted at the strain of the virus prevalent in Africa, the region that accounts for over two-thirds of people with HIV.

The group has received grants ranging from \$3 million to \$25 million from the governments of Britain, the Netherlands, Canada and Ireland, as well as millions of dollars from the World Bank and the Gates Foundation. Yet it has received a grand total of \$188,000 from the U.S. government. Last month Mr. Clinton signed a law authorizing \$20 million over two years for the Initiative; now the challenge is to persuade Congress to appropriate the money. But the administration is unclear which part of the budget to get the money from.

AIDS has already killed 16 million people, considerably more than live in Virginia, Maryland and the District of Columbia combined. More than 34 million live with the HIV virus; new infections are occurring at an estimated rate of 15,000 a day. Campaigns to urge safe behavior plus treatment of those who are infected are indispensable. But vaccine research and development is also crucial, and right now it commands only about 2 percent of the \$20 billion that the world spends annually fighting the pandemic. The long history of other viral epidemics, from measles to smallpox to polio, shows that vaccines—and only vaccines—hold out the hope of victory. And the short history of the International AIDS Vaccine Initiative suggests that America would be foolish not to back its efforts.

9-26-00

Sunday
 Now what?
 Any more left?
 Re

Copied
 Berger
 NSC w/ desk
 Podesta

Iran Leaves U.S. Puzzled On Clemency In Spy Trial

By ELAINE SCIOLINO

WASHINGTON, Sept. 23 — The reports flowed steadily into the White House and State Department in recent days: Iran's foreign minister, Kamal Kharazi, was telling foreign officials, members of the Jewish and Iranian-American communities and human rights leaders that some of the 10 Iranian Jews convicted of cooperating with Israel would go free, and that the rest would have their sentences reduced sharply.

Mr. Kharazi's spokesman, Hamid-Reza Asefi, said today that the foreign minister had said no such thing.

The confusion underscores the difficulty of communicating with Iran through third parties in the absence of an official dialogue with the United States. It also reflects the personal negotiating style of Mr. Kharazi, a reserved, English-speaking former ambassador to the United Nations who speaks in a barely audible voice and is inclined to reply to questions with a smile, a nod or a barely understandable monosyllable.

In the end, an appeals court on Thursday reduced the sentences of all of the Iranian 10, as they are called in the United States, by two to six years. But all were kept behind bars, a ruling that has been sharply criticized by the Clinton administration, Jewish leaders and human rights groups.

"Did we have assurances? Not exactly," a White House official said. "This was more a case of drawing inferences from Kharazi's body language."

Other administration officials knowledgeable about Iran said they had listened to the various second-hand reports about clemency and imminent freedom with hope, but not certainty.

"We did have the impression that at least some of the prisoners would be released," a senior State Department official said. "But we had no basis to think that this was a commitment or an authoritative prediction. I also suspect there was a lot of wishful thinking, both in the administration and among the interlocutors."

The conviction of the Iranian Jews has been loudly condemned around the world as a miscarriage of justice that flouted international norms for a free and fair trial.

On Friday, Secretary of State Madeleine K. Albright added her voice to the chorus of critics, telling reporters at the State Department: "We do not think that due process existed, either, in the whole way this was set up. So I think this is a disappointing decision."

In a telephone interview from Los Angeles, where he is accompanying Mr. Kharazi, Mr. Asefi, his spokesman, denied that his boss had given any concrete pledges during his meetings at the United Nations this month.

He said that in all of his meetings with his counterparts, Mr. Kharazi "underscored the separation of powers in the Islamic Republic," adding that the court was adjudicating the case in Shiraz with full independence and uninfluenced by political considerations.

Mr. Asefi also said, "The defendants have experienced Islamic compassion to the extent possible under the circumstances." All that Mr. Kharazi did was to "express his hope that within the framework of the laws in Iran, the sentences for those convicted would be mitigated on appeal."

But Scott Horton, president of the International League for Human Rights, said he had heard things differently. Pulling Mr. Kharazi away for a brief private conversation during a speech and dinner last Wednesday at the Century Club in New York, Mr. Horton said he had been told that the Iranian Jews would be granted a new trial.

"I have no particular interest in embarrassing him," Mr. Horton said. "His heart is in the right place on this issue. Obviously he doesn't want to appear as a fool or out of touch at home. I don't think he was attempting to mislead me on this. But I know I didn't mishear him."

Moscow Aid for Baghdad

BAGHDAD, Iraq, Sept. 23 (Reuters) — The third direct flight in two months from Moscow to Baghdad landed here today, carrying politicians, businessmen and aid in an apparent test of the United Nations sanctions against Iraq.

The TU-154 plane was chartered from the Russian Vnukovo Airlines by a nongovernmental Russian-Iraqi committee that opposes the sanctions imposed on Iraq.

The organizers said it was carrying about 50 people, including members of the Russian Parliament, businessmen, aid groups and a soccer team as well as five tons of medicines.

The plane landed one day after a French plane arrived in Baghdad, bringing criticism from the United States and Britain.

The New York Times

Sunday, September 24, 2000

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I wish we could do this
before I go - I was always
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Plan Would Reopen Pennsylvania Ave.

Two Blocks Would Be Open Only to Cars

By BENJAMIN FORGEY
Washington Post Staff Writer

A1

A pair of low pedestrian bridges across a narrowed and reshaped section of Pennsylvania Avenue would enable President Clinton—or his successor—safely to reopen the street he closed for security reasons five years ago, according to a new design prepared for a group of local civic and business leaders.

Advocates believe the plan will remove an inappropriate "image of fortification" from the White House area, reconnect the east and west sides of downtown, relieve traffic on nearby streets and, at the same time, deter large-scale vehicular bomb threats to the building and its occupants.

Clinton closed the avenue between 15th and 17th streets NW on May 20, 1995, five weeks after a massive bomb in a parked truck destroyed much of the Alfred P. Murrah federal office building in Oklahoma City, killing 168 people.

The design initiative was undertaken at the behest of the Federal City Council, an influential nonprofit organization

of the city's business elite. The effort has the backing of D.C. Del. Eleanor Holmes Norton, Mayor Anthony A. Williams, Sen. Daniel Patrick Moynihan (D-N.Y.) and other political leaders. The mayor issued a statement saying, "We want to work together with the

Clinton administration to develop a solution that balances safety and convenience."

"There is no such thing as absolute security and there need not be," said

Moynihan, who has called for a "national conversation" on the security issue. "These are able designers, able traffic people," he said of the proposal's authors. "They know what they are talking about, and they are right."

It was Norton's idea to approach President Clinton with the new design in hopes that he might reverse his decision in the waning days of his presidency. Like the original action, such a reversal does not require congressional or District approval. Both Norton and representatives of the Federal City Council have spoken with White House aides, said David Perry, deputy director of the group, with no definitive response.

"I think the White House is very much inclined in our direction but wants to be sure it is taking no unnecessary risks with the safety of people who work there," Norton said. "I think we can ultimately meet that burden unless one wants to insist on zero risk, which is too much to ask of a living, breathing city that has suffered enormously from this closing."

The intention of the new plan, Perry said, is "to meet the Secret Service more than halfway." That agency, charged with protecting the president and

his family, strongly advocated the avenue closure in 1995, and still does.

"The same vulnerabilities that have always existed with the White House and led to the closing of Pennsylvania Avenue in our opinion still exist," said Secret Service spokesman Jim Mackin, after the agency reviewed a summary of a 73-page report supporting the new plan. "However," he said, "we have requested but not seen the full report." Backers of the new proposal also plan a briefing for Treasury Secretary Lawrence H. Summers, who oversees the Secret Service.

The concept behind the new proposal is straightforward—new footbridges placed near the southeast and southwest corners of Lafayette Square would allow private cars and taxis to pass underneath but would be too low for large trucks, buses and vans. This would limit the explosives-carrying capacity of vehicles passing in front of the White House.

The proposed changes are "not 'Star Wars,'" said architect Gary Haney of Skidmore, Owings & Merrill, the firm that produced the design concept on a pro bono basis. "But limiting the height is the only way to realistically limit the size of the vehicle along this part of the avenue," he said.

In addition to the bridges, the plan proposes to reduce the six-lane avenue to four lanes and reshape it in a gentle northward curve. Haney refers to this shape as a "Jeffersonian bow" because it is similar to one proposed by President Thomas Jefferson in an 1802 drawing.

The narrowing of the street and the curvature would increase the distance from the street curb to the north facade of the White House from about 325 feet to about 385 feet at the most distant point. Parking would be forbidden on the reconfigured road.

An increase in distance of even 60 feet reduces the degree of damage and potential injuries to people in the White House from a bomb carried in a car or small truck, according to studies conducted by consultants to the Federal City Council.

The Secret Service, on the other hand, has long preferred the 800-foot distance between the White House and the northern border of Lafayette Square at H Street NW—the edge of the secure zone as it now exists. "The closing of the avenue was not an arbitrary decision," said Mackin. "It was based on scientific explosives analysis done by an outside, independent researcher."

The new plan also foresees "attractively designed" manned kiosks in a median strip in the center of the avenue at both 15th and 17th streets. A map of the proposed design shows an extra avenue lane extending for about half a block toward the White House from both 15th and 17th streets. This is intended to provide space for drivers of vans and trucks to turn around should they mistakenly enter the forbidden stretch.

Even though they would be engineered with steel truss undercarriages to withstand the force of a collision with a large vehicle, the bridges could be constructed in such a way that they could be dismantled every four years for the inaugural parade, Haney said.

Opponents of the street closing have objected to both its practical and symbolic consequences. "From a traffic standpoint it has been a disaster, and it sends the wrong message, the wrong spirit to a lot of Americans and people around the world," said Max N. Berry, a former chairman of the Pennsylvania Av-

enue Development Corp. and co-chair of a 30-member Federal City Council task force on the issue.

Crosstown traffic on nearby streets—primarily H, I and K streets and Constitution Avenue—has been demonstrably snarled by the need to accommodate the 29,000 cars that used to travel the closed section of Pennsylvania Avenue on an average weekday.

Direct and indirect economic consequences have been "substantial," according to the 73-page assessment of the causes and effects of the avenue closing prepared for the Federal City Council by the Rand Corp. think tank.

Indirectly, the separation of the eastern and western parts of the central business district has led to "higher overhead costs" and a "decline in productivity" for many businesses, the report states. Direct losses to the District government, it says, include \$728,000 in parking meter revenues and \$1,575,000 in higher costs due to the rerouting of crosstown buses.

The Rand report also says the Oklahoma City explosion "has perhaps less relevance" to the White House than often assumed because the vehicle containing the bomb that blew away a large portion of the Murrah building was parked about nine feet away when the blast occurred.

The avenue's closing, says the report, in many ways reflects a "bunker mentality" and a "law enforcement predilection that the only way to satisfactorily protect the president is on the basis of worst-case scenarios."

Although the proposed design changes "could conceivably be defeated by a determined suicide attack involving a fanatically driven terrorist," the report states, "the same caveat of course also applies to the entire spectrum of threats directed against the president."

Besides trying to persuade Clinton to change his policy on the avenue, representatives of the Federal City Council also have contacted campaign officials of both Texas Gov. George W. Bush and Vice President Albert Gore. As yet, there have been no direct responses. The Republican Party platform calls for reopening the avenue; the Democratic platform did not mention the issue.

9-26-00

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Saddam's Winning Wars

A DECADE AGO Iraq invaded Kuwait. Operation Desert Storm in 1991 expelled Saddam Hussein's troops and left Iraq subject to an embargo that can be lifted only when the United Nations certifies that Iraq has abandoned weapons of mass destruction. Yet Saddam Hussein himself has remained in power, invulnerable, seemingly, to either internal revolt or external economic pressure. As the war he provoked recedes into history, the coalition of Western and Arab states that once opposed him has weakened, and with it, international support for sanctions. All this has happened despite the fact that Saddam continues to torture and murder his own people and has never provided a full accounting of his proscribed weapons programs. Consequently, the United States has been obliged to acquiesce in a loosened sanctions regime that permits Saddam to sell essentially unlimited quantities of oil on the world market. When President Clinton ordered four days of air and missile strikes in December 1998 to punish Iraq for its defiance of a U.N. weapons inspection mission, only Great Britain joined in the attack.

Small wonder that, as the U.S. presidential election approaches, Saddam Hussein feels emboldened to challenge American resolve further through provocative rhetoric and behavior. In recent days, he has refused to admit a new U.N. weapons inspection team, even though it was created under a 1999 Security Council resolution brokered by Iraq's sympathizers on the council, France and Russia, and designed to ease Iraq's path toward the lifting of the already-diluted sanctions. He has even refused entry to U.N. experts who were supposed to help Iraq assess its humanitarian needs and to facilitate the provision of food and medicine. On Labor Day, defying the U.S. and British-patrolled no-fly zone in southern Iraq, Saddam dispatched a fighter plane to penetrate not only off-limits Iraqi air space but Saudi Arabia's air space as well. (U.S. pilots were taking the holiday off.) He

has begun accusing Kuwait of extracting oil that rightfully belongs to Iraq—one of the same charges he leveled shortly before he launched the 1990 invasion. And it has been almost two years since any outside weapons inspector set foot in Iraq, meaning Saddam has had that much time to rebuild—and conceal—weapons of mass destruction.

The Clinton administration says that, for all his posturing, Saddam remains effectively contained, confined to his "box" by the remaining sanctions and a heavy U.S. military presence in the Gulf. But increasingly it is U.S. policy that is boxed in. The United States had to announce that it would not use force if Saddam continues to refuse to admit the weapons inspectors. Nor does the administration have any intention of investing in the Iraqi opposition, which it regards as hopelessly incompetent. Neither presidential candidate has articulated a particularly convincing way out of the current dead end. Vice President Gore is saddled with the Clinton administration's record, while George W. Bush is being counseled by many of the same people (most prominently his running mate, former defense secretary Dick Cheney) who let Saddam survive in power at the end of the Persian Gulf War. Meanwhile, Russia and France are making new and increasingly craven overtures to the dictator. The West's panic over increasing oil prices only increases his leverage.

Secretary of State Madeleine Albright gamely pointed out that Iraq has used the U.N. oil-for-food program to import vast quantities of whiskey and other luxury items for Saddam's loyalists; there are also credible reports that Iraq has been selling food and medicine abroad while receiving humanitarian donations from Europe or getting them out in warehouses. For all intents and purposes, however, Iraq has won that particular propaganda war. As long as Saddam Hussein remains in power, there is always the danger that Iraq will try to win a real war, too.

9-26-00

*Study - we should discuss
this - I'm concerned
about overreaction
too much fear of Cong Cop - study. etc -*

Lab Crackdown May Harm Nuclear Security, Study Says

By WALTER PINGUS
Washington Post Staff Writer

Tightened security and the threat of criminal prosecution for minor errors is becoming a bigger threat to national security than the potential loss of secrets, according to former senator Howard H. Baker Jr. (R-Tenn.) and former representative Lee H. Hamilton (D-Ind.).

The former legislators, who were appointed in June by Energy Secretary Bill Richardson to study the loss of two computer hard drives containing nuclear secrets at Los Alamos National Laboratory, recommended that Richardson cancel the policy of "zero tolerance" for security violations that was announced last year in the wake of allegations of spying at the lab.

In a report to be released today, Baker and Hamilton wrote that, "Once issues of management oversight give way to criminal investigation, and lab employees fear that committing a security error may expose them not just to management discipline but to prosecution and imprisonment, any hope that individuals will volunteer information that could reflect security lapses is annihilated."

Ultimately, they concluded, "This will erode both the security surrounding our nuclear secrets and the ability of independent oversight organizations to discover them."

Baker and Hamilton did not have access to the current FBI investigation into the disappearance of the drives, and their report contains no new information about who might have been responsible or what might have happened to the drives during the time they were missing.

They did find that, "The loss of these hard drives constituted an extraordinary risk to our national security" because, in the wrong hands, they "could facilitate the development and design of nuclear weapons by entities hostile to the United States and U.S. interests."

The drives were used by specialists on the Nu-

clear Emergency Search Team, a group of volunteers at Los Alamos that is prepared to assist the FBI in dealing with accidents or terrorist threats involving nuclear materials. The hard drives were reported lost on May 31 and reappeared behind a copying machine in a secure area of the lab on June 16.

Since that time, the FBI has been attempting to determine who was responsible not just for the loss of the tapes but also for trying to cover up their disappearance.

The FBI has five main suspects, mainly NEST members, although dozens of scientists have been questioned and called before a federal grand jury in Albuquerque. The FBI has just completed a review of lab e-mails relevant to the case, according to a government official.

After talking with Los Alamos employees, including NEST members, during a two-day visit to the lab, Baker and Hamilton said the hard-drive episode has had "a highly negative effect on the ability of [Los Alamos] and the other national laboratories to continue to do their work, while attracting and maintaining the talented personnel who are the lifeblood of the cutting-edge work of the laboratory."

"Offer an amnesty, with a reasonable [administrative] punishment, if you want the truth about the hard drives," one employee was quoted in the report as saying. Other lab workers said that, "you are not going to restore morale unless the FBI ends its investigation," according to a participant in the meetings.

The strongest language of the Baker-Hamilton report, however, is directed toward the apparent harm they believe is being caused by the tighter security rules imposed by officials in Washington. "A year ago [oversight officials] were partners; now they are policemen," they reported being told.

The two former legislators have expressed concern that with a dwindling number of nuclear scientists who have experience in designing



THE PHOTOGRAPH BY FRANK PUGH



THE PHOTOGRAPH BY FRANK PUGH

Former legislators Howard Baker, left, and Lee Hamilton studied the loss of two computer hard drives containing nuclear secrets at Los Alamos.

and testing weapons, national security could be severely harmed by an exodus from Los Alamos. One of their recommendations is to consider "the morale and motivations of laboratory employees" as an important aspect of overall security, and to consult with employees before instituting changes.

"We are completely divorced from security," they quote one scientist as saying. "The relationship is totally adversarial. Security has no vested interest in our mission."

The Baker-Hamilton recommendations come in the wake of security flaps in several departments of the federal government. In the latest incident, the State Department last week suspended the security clearance of Martin S. Indyk, the U.S. ambassador to Israel, effectively preventing him from doing his job.

Indyk, who allegedly performed classified work on an unsecure laptop computer while traveling, was caught up in the State Department's heightened attention to security following the discovery of a Russian bug in a conference room and the loss of a laptop containing classified information on arms proliferation.

Former CIA director John Deutch also has lost his security clearance for keeping classified information on unsecure, government-owned computers in his home. And the Justice Department, which prosecuted Los Alamos scientist Wen Ho Lee for downloading a huge trove of nuclear weapons data to computer tapes, is reeling from an internal probe into security violations by members of its own staff who ran a U.S. program to train foreign police officers.

9-26-00

Summary

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In Kosovo, an Uncertain Mission

Peacekeeping Troops Find Frustration, Little Appreciation

By ROBERTO SURO
Washington Post Staff Writer

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SILOVO, Yugoslavia—Every four hours, day and night, soldiers of the U.S. 1st Armored Division patrol this Kosovo village, carefully avoiding the open sewers, standing silently in cornfields on guard against intruders who might bomb a house or burn a crop to drive away the few hundred Serbs who remain here.

The soldiers live in a former mortuary, a windowless building that shares a hilltop with a cemetery and a small church. When they are not patrolling, they escort townspeople who need to leave the village to work, shop or visit relatives. With loaded guns at the ready, they keep watch over soccer games, birthday parties and any other event that might draw a crowd.

A little more than a year after they arrived, the main mission of the 5,500 U.S. troops in Kosovo has completely reversed: Instead of protecting ethnic Albanians from Serb paramilitaries, they go to great lengths to protect the small Serbian population from vengeful Albanians. It's a nearly thankless role that requires hundreds of soldiers to do daily bodyguard duty for people considered foes not long ago.

Kosovo has become a treadmill. In dozens of interviews, officers and enlisted men said they can do valuable work here—and do it carefully and enthusiastically—but still never know whether they have achieved anything meaningful. For many GIs, Kosovo is a mission without goal posts or time limits.

"It's a good mission to help a country put its past behind and get off on the right foot," said Staff Sgt. Henry Gonzalez, who leads patrols from the hilltop outpost. "I just wish we were better at it, to the point they appreciated it."

On one recent Sunday, Gonzalez and his men spent several hours standing in full battle gear in 100-degree heat to keep watch over a Serb wedding. The revelers did not offer a word of acknowledgment in return.

Although the peacekeepers of NATO's Kosovo Force, known as KFOR, have undoubtedly made this a less violent and more orderly place, military commanders admit they still have not accomplished their original mission: providing a "safe and secure environment" so that the ethnic Albanian majority and the local Serbian minority can start healing their wounds. Not only do the old hatreds persist, but new forms of criminality and political violence are enmeshing the U.S. troops in Kosovo.

"It is like sticking your hand into a spider web," said a senior Army official who asked not to be identified.

With dismay evident in their voices, some U.S. soldiers complain that neither Serbs nor ethnic Albanians seem interested in peace. More than half the troops interviewed in a recent survey conducted by Charles Moskos, a military sociologist at Northwestern University, said they expected Kosovo would be the same when they left as when they arrived.

Unbecoming Conduct

That kind of frustration now reveals itself in small acts of impatience or arrogance among soldiers who spend six months at a time here, with little relief from repetitious guard duty. When U.S. troops first poured into Kosovo in June 1999, the problems were much more severe—at least in one elite Army unit, according to a Pentagon report released this week.

More than 800 soldiers from the 82nd Airborne Division arrived in Kosovo last September, when it was more unsettled and violent than today. With scant training in how to manage conflict between civilians, some of the paratroopers routinely mishandled Albanians. But their officers kept quiet about it—until a member of the unit was accused of murdering a Kosovo Albanian girl in January.

Staff Sgt. Frank Ronghi was sentenced in August to life in prison for luring an 11-year-old into the basement of a building, then raping and killing her. During Ronghi's court-martial, evidence emerged that other soldiers in his unit had routinely groped the breasts and buttocks of women during searches in the town of Vitina, and had beaten civilian men during interrogations. Their behavior, the Pentagon said in its report this week, "violated basic standards of conduct, human decency and Army values."

Moreover, the report went beyond identifying a few wrongdoers and pointed to a systemic problem. Many of the first U.S. soldiers to arrive in Kosovo last year were from elite divisions, such as the 82nd Airborne, that were expecting combat and had not been trained for peacekeeping. Soldiers in Ronghi's unit—whose motto was "Shoot 'em in the face"—had "difficulties tempering their combat mentality," the report concluded.

The Pentagon says that all U.S. troops now in Kosovo have received at least some preparation for peacekeeping duties, although the extent of that training varies greatly, from a few days to more than two months. The report is certain to fuel a debate over whether the military should have a separate cadre of peacekeepers rather than ask war-fighting units, such as the 82nd Airborne or the 1st Armored, to put aside their combat mind-set. As something of a compromise, the U.S. troops who have the most contact with ordinary Kosovo residents are reservists in civil affairs and military police units who bring something of a civilian mentality, as well as specialized training, to the mission.

But no one in Kosovo is cutting the peacekeepers much slack. American troops guard Serbs, then dodge rocks when Serbs riot to protest their living conditions. Ethnic Albanians have benefited hugely from the U.S. intervention, and yet they defy KFOR with attacks on the Serbs and by continuing to hoard weapons and train militias.

"The KFOR say they are doing their jobs, doing their jobs. But then nothing happens," said Petar Dinkic, a Serbian shopkeeper in Vitina.

Among U.S. military officials all the way up the chain of command, a major frustration is the lack of a bottom line for the Kosovo mission. The Army's standard briefing on the situation includes a chart titled

"Destabilizing Factors." At the top of the list is "Political end state undefined," followed by "Lack of functional government."

Defining the mission in Kosovo—its purpose and end point—has emerged as one of the most contentious national security issues in the presidential campaign. George W. Bush, the Republican nominee, has criticized the Kosovo mission as an example of how the U.S. military is overextended with humanitarian duties around the world. Vice President Gore, the Democrat, defends the U.S. intervention last year and the current effort to rebuild Kosovo as the kind of "forward engagement" necessary to preserve American interests.

Neither candidate has explained in detail how he would proceed in Kosovo, but it is clear that U.S. military commanders will press the next president for hard decisions.

"You have to wonder whether we are going to be rotating troops through there for years just to keep the place more or less stabilized, because there are no peace talks, no negotiations, not even a real plan for what Kosovo is supposed to become in the long run," said one senior military policymaker.

"When we go on patrol, I like to ask people, 'How long do you think KFOR will be here?' And they tell me, 'You are not leaving soon, and maybe not ever,'" said Sgt. Hector Roman, who is on duty here with a National Guard military police unit from Puerto Rico. "I don't know if that means we are doing our jobs

well, or not."

Sitting in his tiny jewelry shop on a busy street in Urosevac, Zylfis Shehu answered Roman. "We would like to have taxes and police and government, but all that is difficult and will not happen in a day," the ethnic Albanian shopkeeper told the American sergeant. "My opinion is that I want KFOR to stay for a long time, because without them, there would be no law. Everybody with a gun would be their own law."

Hot Cars

The Puerto Rican MPs hit the streets ready for combat, with machine gunners atop their vehicles. Once they set up a checkpoint, though, the gunners tap out salsa tunes on the roofs of their Humvees for the entertainment of passersby.

"We have our own style," says Roman.

One Saturday night, Roman's squad set up a roadblock and pulled over automobiles to search for weapons. Their sniffing German shepherd did not discover any guns or explosives. But they did find a steady stream of luxury cars, mostly Mercedes-Benzes and BMWs, driven by young men without any ownership or registration papers. The excuse was always the same: All the papers got lost during the war.

From the darkness, one of Roman's soldiers offered a verdict on each vehicle that soon became a refrain: "*Esta caliente*"—It's hot.

The most pressing danger, according to U.S. officials, stems from criminal enterprises run by ethnic Albanians who already have made this corner of the Balkans into a European hub for trafficking in narcotics, illegal aliens, stolen cars and prostitutes.

"Crime is a significant problem in the way of developing a sound economic system and freedom," said Lt. Gen. Dennis Hardy, commander of the American sector of Kosovo, which covers nearly 900 square miles. But, he said, U.S.

troops will not go after crime kingpins. "I don't see us going after drug trafficking or prostitution," he said. "It is not our intent, not our mission."

Instead, when U.S. peacekeepers come across criminal activity, they turn the information over to the U.N. police, who are responsible for law enforcement. All the U.S. military can do is provide some muscle when the police make an arrest or conduct a search.

"It is very frustrating because you see what's going on here, but you don't have all the tools or the legal authority you would have back home to clean things up," said Roman, a police detective in civilian life.

Taking on the criminals is all the more difficult because of their links to local leaders, including many of the ethnic Albanian nationalists who fought the Serbs and are treated as heroes in their communities.

"We call it the thugocracy," said a senior U.S. Army officer. "The mafia, the politicians and the so-called freedom fighters are all connected."

No Reconciliation

To support the Kosovo mission, the U.S. Army has built three base camps that continue to expand every day. The largest of them, Camp Bondsteel, now covers 1,000 acres. Its more than 350 buildings include a hospital, a prison, two chapels, two gyms and two huge mess halls that serve 20,000 meals a day for soldiers and a huge supporting cast of civilian contractors.

When the sun is up, the sounds of earthmovers and construction crews fill the air. At night it is quiet except for the helicopters setting off or returning from patrols. Almost every corner of Bondsteel is brightly lit with orange streetlights. Stadium lights point outward, starkly illuminating the landscape for a few hundred yards beyond the eight-foot-high dirt berms and barbed-wire fences. Vast and alone in the night, Bondsteel is called "the Death Star" by soldiers in support

jobs, who often go for weeks without leaving the base.

Aside from a few enterprises in which Serbs and ethnic Albanians work side by side under KFOR auspices, there are no substantial efforts to reintegrate the ethnic Albanian and Serb communities in Kosovo. Instead, the peacekeepers are just trying to ensure the safety of the remaining Serbs in the hope that someday Kosovo can become a functioning multi-ethnic society.

In the town of Vitina, for example, the black flag of the 101st Airborne "Screaming Eagles" flutters over a sandbagged guard post between two general stores where Serbs often gather. In Urosevac, the 29 Serbs who remain, out of a pre-war population of about 30,000, receive almost daily visits from soldiers bringing groceries or just checking on their welfare. And across the U.S.-patrolled sector of Kosovo, soldiers keep permanent watch on 33 Serb churches and 27 schools.

"If we pulled out, all of the Serbs would be gone within minutes," said Sgt. David Coleman, who leads patrols in Gnjilane, where 65 Serb families live in a sector code-named "Kansas."

The soldiers in "Kansas" man checkpoints where they spot intruders by referring to binders with photos of all the neighborhood's residents and their cars. Once a week the peacekeepers escort Serb farmers to a stone courtyard outside a Serb church to operate a heavily guarded market for their fruits and vegetables. With prodding, some ethnic Albanians have begun shopping there.

"We see some progress," said Lt. Col. David Hogg, "but they aren't exactly having each other over for barbecues yet."

Living as a virtual prisoner inside the church compound, Vitomis Vasich, a Serb, does not see much improvement.

"We are not satisfied with KFOR, and we cannot accept that the most powerful army in the world cannot find out who commits murders and burnings right under their noses," Vasich said.

Busy No Man's Land

In the view of U.S. commanders, the constant shootings and house burnings reflect "unfulfilled expectations" that the war would produce an independent Kosovo. How far the people of Kosovo are willing to go to achieve that dream is a question that looms every day as the sound of gunfire grows louder in a patch of woodland just outside the American sector.

Under the agreement that ended the NATO bombing campaign, a "ground separation zone" about two miles wide was created along the boundary between Kosovo and Serbia. Neither KFOR nor Serb forces are allowed to enter it. But the village of Dobrosin, with a population of about 400 ethnic Albanians, falls within that no man's land and has become a busy training camp for pro-independence militants.

Checkpoint Sapper, manned by a platoon of the 1st Armored Division, sits on a bluff a few hundred yards from Dobrosin. From that vantage, U.S. soldiers have watched

hundreds of men descend on the village for a three-week training cycle that has grown so predictable that U.S. troops know which days the trainees get target practice.

Ethnic Albanian leaders have repeatedly promised U.S. officials that they have nothing to do with this activity. They insist that it can be ascribed to a small militia, known by its initials in Albanian as the UCPMB, which they say is a ragtag outfit of no political importance. The Albanians claim that the group's sole goal is to liberate a handful of Albanian villages that remain under Serb jurisdiction. But there is ample evidence that the training in Dobrosin is supported from within the American sector.

On average 300 people a day go down the narrow road into the village, a huge amount of traffic for a hamlet otherwise isolated from the world. Moreover, the amount of ammunition that U.S. troops hear expended daily far exceeds anything that might have been stored in the village.

"We have blocked the majority of the key points of entry, but we have not completely sealed off the supply," said Hogg, operations officer for the U.S. command in Kosovo. "It is such a large area that if someone wanted to get something over, sure they could."

The surrounding countryside is heavily wooded and sparsely populated. Motion sensors and other surveillance devices have been planted, and special forces units run patrols at night, U.S. officials said. But to cut off the weapons traffic would require the permanent commitment of several hundred soldiers, the officials said.

This summer the militants in Dobrosin have launched repeated forays into nearby villages, resulting in firefights with Serb forces. U.S. officials worry that one of these skirmishes might spill over into a confrontation with the troops at Sapper. The worst-case scenario is that men trained in Dobrosin will turn on the peacekeepers if Washington tries to pull out under an arrangement that provides less than independence.

On a hot summer night, the troops at Checkpoint Sapper watch "Con Air" and then "Saving Private Ryan" on the TV in their mess tent. They have seen the videos so often that they know the scripts by heart. Outside, a mortar round thumps in the distance. Then another. Then several more in rapid succession.

There is a stir of activity at the command post. A soldier inside a Bradley Fighting Vehicle carefully scans Dobrosin with an infrared sight, but there is little sign of activity—a couple of cars set off down a wooded path, two men slowly walk back from an observation post that allows them to look into Serb territory.

Over the course of an hour and a half, the mortar fire continues sporadically in what sounds like a considerable skirmish in the wooded hills of the separation zone. Except for those left on watch, the soldiers at Sapper get into their bunks, but most just stay in their uniforms because they have been mustered in the wee hours often enough. As they go to sleep, no one really knows what is happening around them.

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9-26-00

Sandy
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Horn of Africa Famine Appears To Be Averted

Outpouring of U.S. Food Aid Is Credited

By KARL VICK
Washington Post Foreign Service

KAJIADO, Kenya—Famine appears to have been averted in Africa's drought-plagued northeast this year, thanks largely to a prompt and disproportionate outpouring of food aid from the United States, according to the United Nations and organizations distributing the aid.

U.S. contributions have accounted for more than 75 percent of emergency food and other U.N. aid rushed to the Horn of Africa since fears of mass starvation surfaced in the spring. Normally, U.N. officials say, the United States aims to donate roughly one-third of needed food, with Europe providing another third, and other donors, such as Japan, making up the rest.

The difference this year was laid partly to U.S. grain surpluses, which Clinton administration officials were happy to draw down to help boost grain prices at home. The officials said the surge in giving—about \$160 million of the \$207 million received to date, toward a December target of \$380 million—was especially fortunate given the absence so far of donations from the 15-nation European Union.

"We are doing our fair share, but I'm not sure everybody else is," Agriculture Secretary Dan Glickman told reporters last month during a visit to this normally green savanna, turned brown and dusty by two years without rain.

"The U.S. is pumping tons and tons in and we haven't got one bag from the European Union," said Andrew Aho, director of Outpost Centers Inc., the agency distributing relief food here to Kenyan herders left destitute by the current drought.

U.N. officials, wary of damaging relations with countries they will have to approach in the future, were more circumspect about the absence of European aid.

A day after visiting the area where Glickman complained, Catherine Bertini, head of the U.N. World Food Program, declared that early action "helped us to avert a

famine in the Horn of Africa."

"Some donors have contributed generously and quickly," Bertini told reporters in Nairobi yesterday. Asked whether the EU shortfall had affected the millions of people relying on aid, Bertini said, "For this month and the last couple of months, there hasn't been enough food and the rations have been cut."

Aid officials say the short rations are especially acute in camps sheltering refugees, notably those who have fled the civil war in Burundi for camps in nearby Tanzania.

The extended drought put at risk an estimated 16 million Africans, half of them in Ethiopia, where the first photos of dying children emerged in the country's arid southeast in April. The situation there has stabilized, thanks to rains, a massive inflow of aid and the end of the border war with neighboring Eritrea. Bertini said trucks that had been diverted to the military were now available to deliver food.

Continued drought to the south, however, put 3 million people at risk in Kenya, prompting the United Nations to issue a fresh appeal in July. As it had in the spring, the United States responded aggressively, supplying 60 percent of contributions so far, according to U.N. figures.

But the sluggish response from Europe—aside from bilateral French and German contributions totaling about \$3 million for Kenya—has meant malnutrition rates here continue to rise, according to the Famine Early Warning System, an American-funded service established in Nairobi after the Ethiopian famine that killed an estimated one million people 25 years ago.

Bertini said EU officials have spoken of giving \$50 million to the World Food Program for use in Kenya and elsewhere. EU officials in Nairobi said they knew nothing of that, but said a grain shipment of 25,000 metric tons is being prepared for Kenya. The shipment is valued at about \$3 million, about 2 percent of the \$146 million in aid that the United Nations says Kenya will need.

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Battle Brews Over Plan Colombia

U.S.-Backed Program to Eradicate Drug Crops Faces Gathering Opposition

By STEVEN DUDLEY
Special to The Washington Post

PUERTO ASIS, Colombia—Violence is not new to Puerto Asis, a town of 45,000 where rightist paramilitary groups and left-wing guerrillas fight for control of the surrounding drug-growing area. But fear and uncertainty grip the city these days as the Colombian government, with \$1.3 billion in U.S. funding, prepares an offensive to reestablish government control and wipe out the drug-producing plantations here in province of Putumayo.

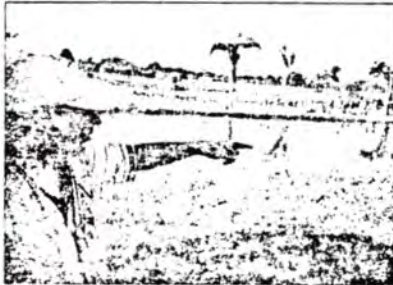
As part of the government's \$7.5 billion Plan Colombia, the United States is sending intelligence equipment and 60 helicopters to security forces here and is training troops to retake this forgotten region 350 miles southwest of Bogota and eradicate an estimated 120,000 acres of coca, the raw material of cocaine.

President Andres Pastrana's government has portrayed Plan Colombia as a strategy for peace that will include social and economic programs for small farmers so they can turn away from growing coca. But in Puerto Asis, people have heard only of plans to beef up the military, and they expect police to start spraying chemicals on their fields, their livestock and on them, too.

"When they take this coca away from us, the war is really going to start," said one elderly farmer as he walked through the acre of coca that he says supports his five children. "I may be a little bit older, but I'll grab my rifle and defend myself and even kill if I have to."

At the behest of the country's largest guerrilla group—the Revolutionary Armed Forces of Colombia, known by its acronym in Spanish as the FARC—thousands of coca farmers in Putumayo and other southern states marched in protest of the previous government's plan to eradicate coca with herbicides in 1996. The protests turned violent, and several peasants were killed in clashes with the army. Many of the protest leaders subsequently joined the guerrillas.

Local government officials, unions and human rights organizations from four southern Colombian states and 50 dele-



Dagoberto Martinez points to fish farm he hopes can help replace coca as an income-producing industry in Putumayo province.

gates from neighboring Ecuador held a conference here last week to protest the policy of spraying the fields. The two-day event, called "The South Responds," culminated in a rally under the searing mid-day heat in the central square of Puerto Asis, where U.S. Embassy and U.N. officials listened to people complain that they do not want to be caught up in a war over drugs.

"We're not fighting here or making the war worse," Mayor Manuel Alzate told a crowd of villagers and farmers, many of whom carried anti-Plan Colombia banners. "We want peace and a Putumayo without coca."

Alzate said 43 villages in the area are ready to participate in a plan to eradicate coca manually, instead of using chemicals, and to replace it with other cash crops and industries. But any progress toward the mayor's goal of eliminating the coca from his municipality in three years hinges on the FARC's willingness to allow the project to move forward.

The guerrillas have said they oppose Plan Colombia, and last month they allegedly killed a community leader and a member of the CMDR, the government's rural development organization, who was trying to implement Alzate's project.

"The CMDR has ceased to exist here," said Eder Sanchez, the organization's leader, who added that some people have been threatened with death by the rebels unless they renounce their association with the mayor.

But the FARC does not seem to have a

uniform approach. Local developer Dagoberto Martinez said he has gotten the rebels' temporary blessing to use government money to implement a fish-farming project involving 102 families. Still, Martinez is worried.

"It is one thing to talk to them and another thing to get them to honor their word," Martinez said while launching fish feed into one of 10 man-made ponds on the outskirts of town.

About 10 miles from the fish farm, locals say the FARC is preparing them for the hand-to-hand combat that they expect to start once the U.S.-backed military offensive against them begins. Farmers say they have been forced to attend eight-day self-defense courses, build trenches around their homes and obtain rifles—sometimes on credit from the guerrillas.

"They say we need to get guns in case of a paramilitary attack," said one farmer, who was afraid to give his name. "But really this is just a psychological attack on the people so that they follow the FARC's ideas or join them."

This same farmer said he was risking his life coming to the city since the paramilitaries that control the urban part of Puerto Asis would identify him as a guerrilla supporter because he lives under rebel domain. At about 6 p.m. every evening, police stop patrolling the town, and militiamen begin circling the streets on off-road motorcycles looking for any sign of guerrilla activity.

Once pulsating with nightlife, many of the city's bars and brothels are now largely empty. Since cleansing the area of much of its rebel influence, locals say, the paramilitaries have begun a morality campaign that includes parading unfaithful husbands and drug addicts naked around town.

Both the mayor and district attorney of Puerto Asis have demanded that police and military do more to combat the right-wing groups, while human rights advocates have questioned U.S. involvement in a region where the militiamen operate without interference from the armed forces.

U.S. officials are said to be investigating these accusations and have temporarily suspended aid to the local army battalion.

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West and South. These areas were more racially homogenous than slow-growth regions, strongly influenced by self-help Protestant values and deeply suspicious of unions and government. Building on this culture, they promoted themselves as the economic and moral antithesis to slow-growth society.

Disgruntled middle-class families, disfavored urban businesses and displaced workers flooded into boomtowns such as Las Vegas, Phoenix, Salt Lake City, Denver, Dallas and Raleigh-Durham, N.C. California and slow-growth mid-Atlantic states lost hundreds of thousands of manufacturing and middle-class jobs to aggressive and increasingly antagonistic states such as Texas, Utah and Georgia.

In the battleground states, there is a rough parity between constituencies attracted to either the slow- or fast-growth model. In Ohio and Michigan, for example, large urbanized areas are surrounded by rural communities that have more in common with the South. In Florida and Washington, wealthier slow-growth elites from California and New York struggle for power against indigenous agricultural and industrial interests far more enamored with Texas or Georgia. The election outcome might hinge on whether Gore and Bush can rally their natural allies in such states.

Yet, both candidates would be better served if they realized that the slow- and fast-growth models cannot stand on their own. Each would benefit from the principles of the other.

The problem with slow-growth communities, for example, is that they tragically limit economic opportunities that best help the poor and disadvantaged. Media-savvy advocates can manipulate the regulatory process to block virtually any activity they don't like.

Bureaucratic caprice of this sort discourages investment and development in heavily regulated areas. That's why low and median family incomes rose in fast-growing states over the last decade but fell in the more liberal Northeast and California. The broader a region's range of economic activity, the more equitable its income distribution.

Gore could ensure greater equity by advocating that slow-growth-style regulation be limited by clear rules and standards that truly protect public goals. Certain activities would still be precluded even with such reforms, but those that meet clear standards could proceed without risk. This would dramatically expand social opportunities in slow-growth areas.

Bush's challenge is to recognize that the desire for government intervention in slow-growth regions reflects legitimate equity and social concerns. Many of the problems bedeviling slow-growth regions—social fragmentation, widening class divisions and wealthy antigrowth movements—are emerging in fast-growth constituencies. It is not clear that they can be brushed aside in the future with the same self-help economics and Protestant orthodoxy that worked so well in the past. Bush could blend legitimate equity concerns with fast-growth ethics by proposing a reduction in payroll taxes, for example, which help working families far more than cutting income-tax rates.

It seems unlikely, however, that either candidate will take note of, let alone learn from, the profoundly different constituencies they represent. The conflict among the country's fast- and slow-growth communities will continue to deepen long after the November election. One way or another, the next president cannot avoid the task of bridging America's increasingly troublesome regional divide.

Estate Tax Is About Class Distinction By Gregg Easterbrook Special to the Los Angeles Times

Now that Congress has failed to override President Clinton's veto of the estate-tax-repeal bill, we can expect the ultimate question of death and taxes to be a running theme of the fall 2000 campaign. The fight about the tax is being carried forward in standard Republican-Democrat terms, focused on mutual recriminations. Statistics and percentages are flying in all directions. Overlooked in this controversy is the best reason the estate tax should be retained, and it is cultural: Estate taxes keep the United States from turning into Europe.

For centuries, European culture and politics have been plagued by class hostilities centered on inherited wealth. Almost everyone in the traditional European aristocratic cohort received his or her financial position in life through inheritance. (Most

Europeans nations enacted estate taxes in the postwar era, but they are easily evaded.) Europe's "idle rich" performed no productive labors and created no wealth. People who had to work resented that fiercely. The results for Europe have been sharp class hostility and sluggish economies.

In the United States, by contrast, most wealth is earned. There isn't an idle rich, but an infuriatingly active, noisy, hectic rich. Almost all millionaires and billionaires are self-made. The rich might be obnoxious, they might have terrible taste in rugs and art, but their position in life is earned through effort. That the overwhelming majority of Americans who have money earned it is what makes U.S. capitalism, if maddening, morally legitimate.

It is the absence of an idle rich, as much as anything else, that explains "American exceptionalism" the fact that although Europe is rife with bitter class tensions, America is not. Lack of large amounts of inherited wealth also explains U.S. economic vibrancy: If you want to become rich, you've got to be productive. The United States does not have a significant cohort of idle rich, nor the social parasitism that accompanies large degrees of inherited wealth, because America has a strong estate tax that prevents wealth from accumulating across generations in all but the uppermost cases.

Those who propose to repeal the estate tax would change this dynamic, dramatically increasing the percentage of future Americans who possess inherited rather than earned wealth. This is a terrible idea, especially for capitalism.

Already, the arc of U.S. society is toward the creation of European-style wealth concentration, and that is disturbing enough. In 1976, the richest 1 percent of society held 21.8 percent of wealth. By 1983, it held 33.8 percent; today, it holds 38.5 percent of all wealth and the figure continues to escalate. In the coming two decades, many in the top 1 percent will die, and the deck will be reshuffled as the estate tax redistributes some of this accumulation. If the estate tax is repealed, the rate of wealth concentration will continue to accelerate.

How long will it be before half the country's wealth is held by the top 1 percent? When that time comes, American exceptionalism might end, and hostility toward the rich might become open, as it is in European politics. If Americans become hostile to wealth, the Republican Party won't exactly do well, and Congress might enact anti-wealth laws that cause genuine harm to the economy, something the estate tax has never done.

Don't think that repeal of the estate tax would create a U.S. aristocracy? Consider the numbers. Current law exempts the first \$1.35 million of a couple's estate and the first \$675,000 of an individual's estate; these exemptions are scheduled to increase to \$2 million a couple and \$1 million an individual by 2005. There are other exemptions for appreciated value in homes and stock, and they further prevent most estates from paying any tax. At current levels, with 98 percent of estates exempt, only the 2 percent at the top of the economy pay any estate tax.

Most family owned or closely held small companies are not hit with estate taxes, and it is rare for family farms to pay such taxes. Neil E. Harl, an agricultural economist at Iowa State University who advises family farmers on tax planning, says he has never encountered an instance of a family farm lost because of estate taxation. He calls this whole idea, so popular in anti-tax rhetoric, "a myth." Family farms and small business might be sold when one generation dies, but almost always because children want to divide the bequeathed assets, something that would happen regardless of whether the estate was taxed.

The popularity of estate-tax repeal is explained partly by the real-estate boom and stock-market run-up, which have given millions of Americans nest eggs they can look forward to bequeathing. But many who have attained affluence in recent years might not understand that under current law most Americans with big houses and hefty mutual funds will be able to leave everything to the kids. They also might not understand that the exemption ceiling is scheduled to increase much faster than inflation, meaning that even in a rising market, all but the very richest estates will remain exempt.

Consider, in turn, how estate taxes affect aristocratic families. In 1997, the most recent year for which statistics are available, Americans were assessed \$20 billion in estate taxes, making the tax one of the smallest, nationally. More than half that sum was paid by just 3,000 families—the super-rich. Had there been

no estate tax in 1997, those families would have received, on average, a \$6.7-million windfall.

Abolition of estate taxes would hurt charity. In 1997, \$10 billion went to charities and universities from estates, three-quarters of that figure given away by the top 1 percent. Wealthy people make such bequests in no small part because they would rather see their money transferred to church, university or charity than to government. If the estate tax were repealed, this motivation would disappear. Charitable giving, in general, would almost certainly decline, as well. Many wealthy persons make large charitable or foundation donations in their middle or early senior years, reasoning that if the money is going to be taxed at their death anyway, they might as well give it away now and enjoy the accolades that such giving brings. Repeal the estate tax, and this motive would be extinguished.

Comparisons between the United States and Europe are stark on this point. The United States and Western Europe have about the same overall economic size, and Western Europe has a larger population. Yet, in 1999, charitable giving was \$190 billion here, about \$20 billion in Western Europe. Ramifications of the estate tax account for much of this difference.

In an era of government surplus, taxes should indeed be cut, but the focus should be on tax relief for labor and capital, two forces that benefit society, not tax relief for wealth accumulation by the super-rich, which harms society. It is simply selfish for wealthy parents to contend that their offspring must have more, more, more, at the expense of those who have less.

The movement to repeal the estate tax would create a new class of American families dedicated to storing up treasures. The result would be bad for U.S. society and bad for the U.S. economy. Americans once emphatically declared that they did not want to be like Europe. Let's not change that, just because prosperity makes it possible to create an American aristocracy.

A Pivotal Moment for Peru

The following editorial appeared in Tuesday's Los Angeles Times:

Peru's President Alberto Fujimori indeed must leave office, but there is a constitutional and political maze to be negotiated before he walks out the door of the presidential palace for the last time. Most critically, the military that has strongly supported both Fujimori and the corrupt intelligence chief whose actions brought him down must allow a democratic process to go forward.

Fujimori did the right thing over the weekend when, after yet another scandal involving his powerful intelligence chief, Vladimiro Montesinos, he announced he would dismantle the national intelligence system and call for general elections in which he would not run.

Friday, national television broadcast a video in which chief spy Montesinos appears to be bribing a congressman to support Fujimori. The video, which shows Montesinos in his office counting the money before handing it over, seems to confirm charges in the independent Peruvian press that Montesinos was at the pinnacle of widespread government corruption.

The public's demand for Montesinos' ouster was immediate, but few expected Fujimori also to call it quits.

As a terse statement from the Organization of American States suggests, Fujimori must have "judged that continuing as head of state could mean uncertainties and represent an obstacle for the normal development of the democratic process." Peru's modern history includes free elections punctuated by military rule. Fujimori himself won his third term as president this year after getting lawmakers to change the constitution so he could run again. Fujimori has not regained the respect of his Latin American peers, and relations with the United States remain shaky.

Now, Fujimori has to keep all of his promises, starting with complete deactivation of the abusive intelligence system. There were disputed reports Monday that Montesinos had been arrested, amid general fears about how the army might react. In any case, the charges against him are grave enough to demand an independent investigation.

Fujimori must leave office constitutionally, after arranging a public referendum to decide how and when to hold a special election. The same referendum could also reform the courts and electoral agency, adding badly needed credibility to Peru's

electoral process. The Organization of American States, which has been encouraging reform of Peru's electoral institutions, should stay closely involved.

Peru is at a pivotal moment. Fujimori's battered and divided opposition must rouse itself as a democratic force. And Washington should send a very clear message to the Peruvian armed forces that a military coup would have serious consequences in relations with the United States.

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surplus to pay down the federal debt, put Social Security and Medicare on surer footing and provide tax credits that would, among other benefits, help parents pay for their children's college education and give the elderly access to cheaper prescription drugs.

In the past, egalitarians have run into trouble for advocating populism tailored for a narrow segment of the population. In 1972, Sen. George S. McGovern made a populist error with a quickly discredited guaranteed-minimum-income proposal, and it helped Richard M. Nixon to a second-term landslide win in every state in the country except Massachusetts.

The problem for Gore and the potential plus for Bush is that the line between a winning and losing populist campaign is a fine one, and, in good times, voters might resent any candidate who even comes close to that line. On the eve of the presidential debates, it is no accident that Bush insisted, "I'm going to make this a contest on policy."

A Land of Two Minds Faces a Choice

By Michael Shifter= ^Special to the Los Angeles Times=

For the past several months, Peruvians have been evenly divided in the way they see their president, Alberto Fujimori. They either credit him with saving the country from chaos or condemn him for tyrannical rule. But virtually all Peruvians, have been uneasily aware that, over the past decade, the country has been run by a powerful and increasingly nefarious national intelligence apparatus, under the control of Vladimiro Montesinos, Peru's rough equivalent of J. Edgar Hoover. Many found such a state of affairs intolerable; others, fearing what an alternative might mean, kept quiet.

Last week brought a victory for those who relentlessly fought this sinister system. On Sept. 16, Fujimori, showing his flair for surprise and high drama, announced to a stunned nation that he would move to dismantle the intelligence service, step aside and call new elections. A coldly pragmatic leader, he reached the conclusion that his government's credibility had dropped so low that he could no longer sustain himself in power. In the wake of Fujimori's bombshell, people who feared an alternative to Montesinos must now face the unknown.

Although the country might endure a rough, uncertain and tense period, the long-term effect of Fujimori's decision is likely to be salutary for Peru's democracy. Fujimori and Montesinos were caught in a perverse logic: They claimed credit for having defeated a terrorist threat, yet, at the same time, justified their abuses in the name of fighting terrorism. This game ultimately collapsed of its own weight. Mounting scandals, including Montesinos' possible role in trafficking arms to Colombian guerrillas and a videocassette that showed him bribing an opposition member of Congress, exposed the rot and corruption at the center of the regime.

The scandals broke out after controversial elections in May that raised profound questions about the legitimacy of the Fujimori government. Fujimori's unsuccessful attempt to claim legitimate rule also underlined the shifting dynamics of global politics. Just as there is now a near-universal consensus about the key role of markets in the economic sphere, so there is widespread agreement about the importance of "free and fair" elections in the political realm. The Fujimori government, according to an electoral observation team under the auspices of the Organization of American States, violated such a standard. It also violated, according to the special rapporteur of the OAS and a variety of independent groups, a second core, broadly accepted element of democratic rule: freedom of expression. Montesinos surely had a hand in transgressions committed in both areas.

Fujimori sensed that his government was disgraced during his visit to New York earlier this month, when he attended the United Nations Millennium conference. He no doubt got the message that he had crossed the line. In the past, Fujimori was accustomed to criticism from the U.S. State Department and other groups monitoring political developments, which he easily shrugged off. But the most recent developments revealed that the markets, reflected by Wall Street, were increasingly uneasy with such sharp departures from democratic practice, which they feared were not conducive to the sort of orderly and predictable environment favorable to investment and economic progress. International financial institutions such as the World Bank and the Inter-American Development Bank also saw Fujimori's unyielding

authoritarian grip with growing concern.

The surprise detention of former Chilean dictator Augusto Pinochet in London in October 1998 underscored the growing significance of applying internationally accepted standards to national situations. Chilean groups who long sought to hold Pinochet accountable for past human-rights abuses were unable to do so in light of their country's politics until a Spanish judge ruled otherwise. Now, nearly two years later, Pinochet might face justice back home for his alleged crimes. Key decisions made outside of Chile cleared the way for the pursuit of justice within the country. Regardless of what happens now, Chileans overwhelmingly believe that the country is finally coming to grips with its recent past and that the reactivation of the Pinochet case will make their democracy stronger.

The strong international reaction provoked by Fujimori's election shenanigans earlier this year might help make it possible to hold both him and Montesinos accountable for whatever abuses they committed in Peru over the past decade. Outside pressure worked with dogged Peruvian human-rights groups and democracy organizations to set in motion the unraveling of a regime that, when it came to government control, seemed to respect no bounds.

The downfall of Fujimori and Montesinos, and an eventual transition to a legitimate government, has implications for the rest of Latin America, as well. The lesson is that a country with such extreme concentration of power, devoid of institutions and a system of checks and balances, is ultimately unsustainable.

Although legitimately elected for a six-year term in July, Venezuelan President Hugo Chavez should pay close attention to the drama unfolding in Peru. The former paratrooper has concentrated power and assigned the military a more prominent role in the country's politics. While high oil prices offer a cushion, it is unclear how a country suffering such a deep institutional and economic crisis can perform the basic functions of governing. Both in economic policy and in political style, Chavez is a throwback to an earlier era, when the forces of globalization were less powerful than they are today and behavior marked by defiance of entrepreneurial impulses was conceivable. Political dynamics in Venezuela Chavez's verbal attacks on the media, the church and various civil groups are especially troubling might eventually collide with the broadly shared standards of democratic conduct.

In both Venezuela and Peru, the opposition is weak and divided; traditional political parties have been discredited and enjoy scant public confidence. This poses a major problem in Peru, where 75 percent of Peruvians agreed with Fujimori's decision to call new elections. Alejandro Toledo crystallized the opposition to Fujimori; at least four of every 10 Peruvians voted for him in the first round of voting on April 9. (Toledo withdrew in the second round to protest electoral conditions.) But it is far from clear how enduring Toledo's star will be. Peru's future awaits the end of the contest between outrage and submission.

BROWNSTEIN COMMENT: President's First Step Should Seek Common Ground

By Ronald Brownstein= ^ (c) 2000, Los Angeles Times=

It may not seem this way to readers already weary of Dubya and Mr. Liplock. But eventually the presidential campaign will end. (We promise.) And then either George W. (that's Dubya to you, buddy) Bush or Al Gore (our wife-smooching vice president) will face the next challenge: accomplishing something in Washington.

Either will find the capital strangely unaccustomed to getting things done. Since the balanced budget deal in 1997, Republicans and Democrats alike have stopped exercising all the muscles they once used to make deals and reach compromises. Whoever wins, the two sides will find plenty to argue about after January. But if the new president is going to get anything done in the next Congress, he'll need to take a step-by-step approach.

Before the two parties can reach agreements on the big questions

tax cuts, reforming Social Security, prescription drugs they are likely to need what diplomats call "confidence-building measures." These are smaller steps that restore trust and convince the two sides they can work together. Fortunately, on a number of domestic issues, Bush and Gore have offered proposals similar enough that the two parties should be able to reach agreement, no matter who wins. And that could create the momentum for larger change.

Where could the next president go for some quick bipartisan agreements? Here's a list of 10 ideas Gore or Bush (in most cases both) are promoting that could command broad support in the next Congress. They fall into three categories.

^HEALTH

Insuring working adults: Innovative governors in both parties, from California Democrat Gray Davis to Wisconsin Republican Tommy G. Thompson, are pressing Washington for permission to cover uninsured parents whose children are eligible for the existing Children's Health Insurance Program. Gore and Bush both like the idea, but only Gore has called for setting aside money (\$55 billion over 10 years) to help states cover the cost. That is the better approach: states might be able to cover some adults with the funds Washington now provides for children, but any significant coverage increase will demand new money.

Healthy kids: About two-thirds of the 12 million U.S. children without health insurance are eligible now for the Children's Health Insurance Program or Medicaid. But many states have done a poor job enrolling them. Gore has sensibly proposed requiring states to pick up the pace or face a loss of federal funds. And he's urged a series of practical enrollment reforms including school-based sign-ups that could quickly bring health care to millions of children.

Community health: Even if Bush or Gore passes his full wish list of health-care reforms, millions of Americans will still lack health insurance. That underscores the need to bolster the nation's network of community health centers federally funded, locally run institutions that provide safety-net care for the uninsured. President Clinton and Gore haven't made this as much a priority, but Bush has proposed a \$3.6 billion, five-year funding increase for the centers an idea that builds on groundwork already laid by a bipartisan Senate coalition.

^EDUCATION

Accountability: If Bush hadn't proposed it first, Democrats would undoubtedly be promoting his idea of requiring states to test students every year from third through eighth grade in reading and math and then rewarding or penalizing states based on the results. Bush's plan offers a basis for congressional compromise because centrist Democrats (led by Sen. Joseph I. Lieberman of Connecticut, Gore's vice-presidential choice) have already proposed a similar scheme that would give states more flexibility in spending federal money in return for tougher accountability. The flaw in Bush's blueprint is the lack of a national yardstick to assess the state tests; that could be fixed by adding to the plan the voluntary national tests in reading and math that Clinton and Gore have urged.

School construction: Both Gore and Bush have acknowledged that Washington should help local governments with the multibillion-dollar challenge of modernizing crumbling schools. But Bush, for ideological reasons, has proposed a Rube Goldberg scheme to meet the task. Clinton and Gore, backed by Rep. Nancy L. Johnson, R-Conn., and a bipartisan coalition in the House, have a better idea: federal tax credits to pay the interest on local school construction bonds.

Charter schools: Gore and Bush have both zeroed in on a central challenge facing charter schools, which operate free of most union and bureaucratic rules. States generally provide these new schools operating funds for their students but no start-up money to obtain and renovate their facilities. Both Gore and Bush sensibly propose to fill that gap with federal aid.

^SOCIAL WELFARE

Faith-based reforms: Both Bush and Gore want to give religion-based charities a greater role in delivering social services, such as treatment for drug abuse. Such a shift would both honor and accelerate the revival of community-based activism that is reinvigorating troubled neighborhoods around America.

Fatherhood: Gore and Bush both want to provide grants to local groups that help reconnect absent fathers with their families and provide job training and placement for low-income men who are behind on their child support payments. Gore's right when he calls this "the next phase in welfare reform."

Child care: Gore has adopted the best idea from primary opponent Bill Bradley: making the tax credit for child care more available to the working poor. Under current law, the people who most need help paying for child care low-income working parents often don't get it because they don't have any federal income tax liability; Gore would allow them to claim the credit as a refund on their taxes. That change could put up to \$2,400 in the pocket of the waitress mom with two kids that Bush often cites far more than his tax plan offers.

Homeownership: Clinton and Gore have made great strides toward increasing homeownership among low-income and minority families by prodding banks to make more mortgage loans in working-poor neighborhoods. Bush has proposed a worthwhile follow-up: allowing low-income families to apply their federal rental vouchers toward the down payment on a new home.

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Pension bill nears Senate vote; critics say it hurts older workers

By Christine Dugas
USA TODAY

Employee groups and retiree advocates are battling a Senate bill they say would legitimize controversial cash balance pension plans and harm low- and moderate-income workers.

Cash balance plans have attracted widespread criticism from workers and experts, who say they shortchange older workers. The plans, which accrue at a steady rate and are portable, have become the focus of lawsuits, shareholder resolutions and about 800 age discrimination complaints filed with the Equal Employment Opportunity Commission.

Concerns are gaining urgency as a vote on the bill heads to the Senate, possibly this week. A similar bill passed the House in July, 401-25, without a cash balance provision.

Low income can often mean little savings

Low-income households are the least likely to participate in retirement savings plans.

Total household annual income	Non-employer retirement plans, such as IRA		Employer-sponsored plans, such as 401(k) plan	
	% with plan	Median value	% with plan	Median value
Less than \$10,000	4.1	\$20,000	3.6	\$1,300
\$10,000 to \$24,999	14.7	\$11,000	12.3	\$2,100
\$25,000 to \$49,999	26.9	\$12,000	37.1	\$8,000
\$50,000 to \$99,999	43.2	\$20,000	54.1	\$25,000
\$100,000 and over	65.1	\$70,000	55.9	\$73,000

Source: Ohio State University analysis of 1998 Survey of Consumer Finances

Employees from such companies as IBM and Verizon, which have converted from traditional pensions to cash balance plans, delivered a petition Monday signed by 2,566 workers to Sen. William Roth, R-Del., the bill's sponsor.

But the cash balance provision isn't the only problem, critics com-

plain. The Senate bill primarily would help high-income workers and would do little to encourage companies to set up new pension plans, they say.

Supporters say it would expand retirement savings opportunities. "We need to make it easier and more appealing for Americans to

save for retirement," Roth said when he unveiled the bill.

Here's a closer look. Among other things, the bill would:

► **Simplify for companies rules that ensure lower-paid workers receive pension benefits.** Industry groups say it would merely streamline the rules for companies. AARP says the changes would provide less retirement security for rank and file workers.

► **Eliminate the summary annual report of a plan's financial condition.** The bill would make the reports available only upon request.

► **Increase the amount individuals may contribute to an IRA from \$2,000 to \$5,000 a year.** Industry groups argue that many Americans would take advantage of the opportunity to increase their retirement savings, citing the fact that 69% of those who contributed to an IRA put in the maximum

amount in 1995, the most recent year for which figures are available.

But Peter Orszag, a consultant for the Center on Budget and Policy Priorities, says that statistic is misleading, noting that only 7% of eligible taxpayers made any IRA contribution that year.

► **Increase the plan contribution limits for 401(k), 403(b) and 457 plans to \$15,000 a year.** The American Benefits Council says this provision would encourage Americans to boost savings. But the Pension Rights Center says the typical full-time U.S. worker earns \$30,000 a year. Those workers cannot afford to contribute half a paycheck to a savings plan, yet they will help pay for the tax breaks, the center says.

► **Allow Americans over 50 to make larger contributions to their IRAs and 401(k) plans.** That would, for example, help women who re-enter the workforce after their children are grown to catch

up on retirement savings.

► **Provide a tax credit for low- and middle-income workers who contribute to a retirement plan.** Proponents say that much like company matching contributions, this would encourage additional retirement savings among those who need it most.

However, Orszag says 75% of the families who would qualify would get no additional savings because they have no income tax liability against which a tax credit could be applied.

At least two senators, Tom Harkin, D-Iowa, and Edward Kennedy, D-Mass., plan to introduce amendments aimed at addressing perceived imbalances in the bill.

"The administration would like to see a better balance in terms of who is helped by this bill," says Leslie Kramerich, acting assistant secretary of the Pension and Welfare Benefits Administration.

fm Cong. Grace Napolitano
34th C.D. - Calif.

Mr. President -

9-26-00

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Per your request, may we
set a date for your addressing
leadership - elected, local, state, to
explain and inform/educate them on
your New Market Initiative.

Sec. Herman has been wonderful (doing
training pact w/ Long Beach State & our
Gateway Council of Government (28 cities).

I am available at any time.

Respectfully,

Grace Flores Napolitano
apt 544-5148 ofc 225-5256
home 562-868-8352 DIST. 323-728-
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Re: Clinton

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CAPITAL GAINS

THE ESTATE OF THE NATION

Poor little rich kids and their parents hit up Congress for the first tax cut of the season

By JANE BRYANT QUINN

SOB. PITY THE POOR RICH. THEY HAVE TO PAY A "death" tax—or rather, their estates have to pay, which means less for their heirs. Poor kids. All that heavy lifting in the stock market by Mom and Dad, and the kids don't get to keep it all. Where's the justice? Who will stand up for the rights of the descendants of multimillionaires?

As it turns out, Congress will. Compassionately, conservatives have just voted en masse to phase out the tax on all estates, even those of billionaires. The hearts of many a liberal bleed for big money, too. The president says he'll veto the Republican bill, but the Dems remain open to deals that would slash the tax substantially. It's cool to worry about the rich.

Not that rich kids were mentioned aloud in the speeches touting this first big tax-cut bill of the election season. Instead, Congress held itself out as the champion of small businesses and farms that otherwise might be sold to pay the taxes due. I've also heard a general gush against the "unfairness" of the tax.

It's hard to know whether the average American really believes this stuff, or even if the politicians do. Rep. Jennifer Dunn, a Republican from Washington state who cosponsored the House bill, claims that "almost every family farm or business" pays a "compliance tax," in the form of billions of dollars spent "to ensure that loved ones will have enough cash on hand to pay the death tax." Almost every family? Is she kidding, or what?

You may or may not be among the wealthy, or feel their pain. But at least let me clear up who pays this tax, and when.

■ *It is not a death tax.* That's just a politically clever name. At death, around 98 percent of all estates are inherited entirely free of the federal tax. You'll owe zero on money left to a spouse or charity, and zero on estates of modest size. Taxes don't click in until your assets (minus debts and expenses) exceed a certain sum. Singles pay on net worth in excess of \$675,000 (rising to \$1 million in 2006). With planning, a married couple can exempt \$1.35 million (rising to \$2 million in 2006). Far more can be sheltered, with insurance and personal-residence trusts. In these brackets, people like to say they're middle class, but they're actually in the top 4 percent.

■ *Estate taxes are not breaking up family farms.* Economist Neil Harl of Iowa State University, who specializes in tax law for farmers, says that he has never seen a farm sold for this reason. Farmers, he says, are being used as shills for people who've fattened on stocks.

Family farms already enjoy generous estate-tax breaks. Farms can be valued at perhaps only half of their fair market price. Any taxes due can be paid over nearly 15 years, at interest rates as low as 2 percent. And unlike most couples, farm couples can shelter up to \$2.6 million from tax. Almost all farms already pass estate-tax free,



is. To me, taxes should fall on those who can most afford to pay. Phasing out the estate tax over the next 10 years would save \$105 billion for America's wealthiest people (almost all of them not in small farms or businesses). After that, they'd save an average of \$50 billion a year. Had the tax been abolished in 1997, a few hundred tycoons would have saved \$10 million each.

Opponents of estate taxes dismiss all this as minor money. But those billions would more than pay for a Medicare drug benefit, says economist Henry Aaron of the Brookings Institution in Washington, D.C. (Aaron sounds like your typical throwback. It's so uncool to fret about people without health insurance, so unclassy to think it odd to tax \$60,000 in income but not an inherited \$60 million.)

Opponents also moan that the rich are forced to spend vast sums on lawyers, to minimize their tax. But their actual bills have never been checked by empirical research. Almost certainly, part of the cost arises from income-tax planning, business-succession issues and family matters, all of which would continue to exist. Based on interviews with practitioners, Davenport puts the price of pure estate-tax planning at 0.1 percent of a "modest" gross estate (\$10,000 on \$10 million). Is that a good reason to abolish the estate tax, before addressing any other public-policy issue?

What's more, the bill includes an arcane provision known as "carryover basis." It levies a capital-gains tax on large, inherited assets, whose profits are never taxed today. Supposedly, this new provision would eventually tap the super-rich for a bit of the windfall they'd gain from estate-tax repeal. "But it's an administrative nightmare," says New York estate-planning attorney Sanford Schlesinger. Carryover basis was passed, then repealed as unworkable, 20 years ago. Davenport assumes the new tax would be repealed, too.

It's such a great time to be rich. Americans worship their billionaires and, like all disciples, feel honored to serve. I should warn major heirs that, once free of estate tax, parents might be less inclined to give you money before they die. But into each life, a little rain ...

Reported by TEMMA EHRENFELD

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LOS ANGELES TIMES EDITORIALS

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JOHN P. PUERNER, Publisher

JOHN S. CARROLL, Editor

JANET CLAYTON, Editor of the Editorial Page

Definite Choices on Schools

Fixing the public schools leads political opinion, polls, a fact not missed by either major presidential candidate. Both Republican George W. Bush and Democrat Al Gore propose strong education agendas. What the next president needs to do most of all is change the narrow way in which most Americans think about education.

Local control of schools in America is a 350-year-old tradition dating back to colonial times, and no one wants the federal government to run local schools. However, educational standards should be set in the national interest. American competitiveness depends on student achievement, and that should not depend on the state or city or school district where a child happens to live.

ELECTION
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The federal government currently funds only 7% of spending on public education. That figure, under either a Gore administration or a Bush administration, is expected to rise. But more important, the next president must use his bully pulpit to raise expectations of all U.S. students. This must become an ongoing campaign that extends far beyond November.

Improving education is a central campaign theme for both Vice President Gore and Texas Gov. Bush, and the debate on their plans is good for the nation.

Gore's plan is focused on a popular idea, and one that's clearly correct: Teachers need more support. He wants Washington to fund the recruitment of 1 million teachers in 10 years, subsidize raises, pay for teacher training and underwrite bonuses.

While Gore mouths reformist education ideas, there's nothing in his record to indicate that he would stand up to education unions and take some of the bold steps that strongly encourage change. Of course everyone wants qualified teachers in the classrooms. But, contrary to what Gore suggests, certification alone doesn't make for a great teacher and lack of certification doesn't automatically confer incompetence on a teacher.

His "cradle-to-grave" education plan promises something for just about everybody: universal preschool, smaller classes, more charter schools, new school construction, more teachers and more college tuition aid. The cost would be an astonishing \$115 billion, which would be financed from federal

budget surpluses that may not materialize at the predicted levels.

Bush has a more real-world feel for education. He disagrees with some silly pet notions of extreme elements in his party, such as the one that the federal government should have no role in education. He emphasizes accountability, higher expectations, more rigorous academic standards and closing the achievement gap between low-income and more affluent students. On this issue, he is largely his own man.

Bush's reading plan targets poor children and their teachers in the primary grades. His mandatory state testing proposal for grades three to eight is better than Gore's proposal for voluntary tests or mandatory national student-sampling tests limited to two grades starting in 2004. Students should be tested yearly on exams tied to standards, like the Texas Assessment of Academic Skills, to give teachers and administrators the information they need to ensure that more children make the grade.

Like most governors, including California Gov. Gray Davis, Bush focuses in his home state on demanding education reforms. Such reforms are paying off in Texas with rising test scores and a significant increase in the number of students mastering the basics in reading and math. Poor children, black children, Latino children, children who are learning English and children who are the lowest achievers in their schools are making progress.

Under the Bush plan, high-poverty schools that fail to improve for three years would forfeit federal aid known as Title I. That money would be given to parents in the form of vouchers. The approach assumes that losing money would motivate poor schools to improve and that just \$1,500 would allow poor parents to transfer a child to a better public school or put him or her in private or parochial school. How would Bush demand accountability from those schools? It's a part of his education plan that doesn't seem thought through.

All told, however, Bush's leadership quotient in education is more impressive than that of Gore. The Texas Republican has been more willing to take the risks necessary to build bridges across what used to be enemy lines. His tenure as an "education governor" shows him to have promise as a turnaround leader. On education, Bush's determined focus, even if imperfect on some of the specifics, is preferable to Gore's "something for everyone" promises.

such outreach" would be marketed as an At the Supreme Court hearing, Lockyer
ne general against Lockyer in 1998.

A Partisan Panel Scatters Popycock

By GRAHAM T. ALLISON

Twelve Republican House members, constituted as the Cox Commission on Russia, have issued a report on the Clinton administration's policy toward Russia that amounts to "sound and fury," in Shakespeare's fine phrase, "signifying nothing." Nothing except that, in the midst of a presidential campaign, a dozen Republican members of Congress dislike Clinton and Al Gore and support Texas Gov. George W. Bush.

Almost a decade has passed since the Soviet Union disappeared. President Bush and then President Clinton sought to fashion U.S. policy toward an unprecedented transformation in the entire international system. The Clinton administration's choices and actions regarding Russia should certainly be examined and debated. But American stakes in our policy toward Russia are too important to be submerged in partisan "popy-Cox."

The starting place for an analysis of our Russia policy should begin with a simple question: Why does Russia matter? Why does Russia rank among the two or three nations on Earth in which developments could have the largest impact on Americans' lives and liberties?

With one-seventh of the world's land mass, 150 million citizens, natural resources that rank at the top tier in every important category, a scientific and technical elite that rivaled America's for four decades, and a culture that has contributed to the world canon, Russia matters.

If this were the whole story, Russia would count among the score of countries important for American policymakers. Instead, its priority in the hierarchy of American interests derives from one irreducible fact: History has left a superpower arsenal of nuclear and biological weapons, missiles and know-how in the midst of a revolution that is deconstructing every sinew of the totalitarian Soviet state.

Start with 7,000 active nuclear warheads—armed, mounted on missiles, capable of arriving at targets in the U.S. less than an hour after launch. Add to this picture 5,000 tactical nuclear weapons. Remember an additional 12,000 nuclear weapons in various decaying storage facilities across Russia. Include large stockpiles of highly enriched uranium and plutonium—ingredients from which a crude nuclear device could be assembled.

In sum: The overriding reason Russia must matter appears vividly as one considers the

danger of "loose nukes"—the theft of one or a dozen weapons, sale to a rogue state or terrorist group, and use of these weapons to attack American soldiers abroad or destroy a city on U.S. soil.

How has the Clinton administration dealt with Russia on this most important issue? According to the Cox report, "the administration has consistently de-emphasized proliferation in discussions with Russia." But examine the facts.

In 1992, three newly independent states—Ukraine, Kazakhstan and Belarus—found themselves with the third-, fourth- and fifth-largest nuclear arsenals in the world. American leadership, especially through Vice President Gore's Bilateral Commission, succeeded in eliminating three superpower arsenals. How many nuclear weapons do those three states have today? Zero.

A big instrument in preventing proliferation of thousands of nuclear weapons has been the Nunn-Lugar Cooperative Threat Reduction Program. A bipartisan congressional initiative, these programs assist Russia in dismantling and safely disposing of its superpower arsenal. Under Clinton and Gore, Nunn-Lugar programs have invested about \$500 million annually and eliminated more than 5,000 nuclear weapons previously aimed at the U.S., as well as hundreds of missile launchers and submarines. They have also helped secure remaining

weapons and weapons-useable nuclear material at sites across Russia.

About these programs, which in fact constitute the largest source of U.S. taxpayer assistance to Russia, the Cox report is silent. Had the commission criticized the administration for being too timid or doing too little on this front, I might agree. But its members know that a Republican-led Congress has been the major obstacle to a bolder, expanded program.

Those who seek to serve as our next president should speak about how they propose to engage Russia in the next four years. Unfortunately, by failing to establish a bipartisan commission that would have analyzed success and failures evenhandedly, the Cox Commission missed an opportunity to inform that debate.

The president who takes office in January should give highest priority to securing Russian nuclear weapons, weapons-useable nuclear material and other weapons of mass destruction. Protection of Americans' lives and liberties—not partisan politics—should take precedence in shaping America's Russia policy.

Graham T. Allison, director of the Belfer Center for Science and International Affairs and Harvard's Kennedy School of Government, is a foreign policy advisor to Democratic presidential candidate Al Gore.

these workers to live in. About 150,000 workers in Southern California alone earn dental College and co-chair of the Progressive Los Angeles Network.

How Much Money Is Enough for Defense?

By MICHAEL O'HANLON

Despite all the high-octane campaigning about military readiness in this year's presidential race, Gov. George W. Bush and Vice President Al Gore do not differ much in the core elements of their defense policies. Bush and Republican vice presidential nominee Dick Cheney have described a military that is overworked and undersized as a result of eight years of the Clinton-Gore administration. But they do not propose increasing the size of the armed forces and have few, if any, ideas about how to reduce overseas commitments.

Most tellingly, the budget proposals of the two candidates differ by less than 2%. Remarkably, for perhaps the first time since the 1960s, it is the Democratic candidate who proposes spending more on the country's defense. Gore proposes allocating \$100 billion of the 10-year surplus, or about \$10 billion per year, to the armed forces. Bush's budget plan would provide the Pentagon about half as large a real-dollar increase. Either way, defense spending would remain about \$300 billion a year. That is as much as the world's next 10 military powers spend in aggregate. But it represents just 3% of this nation's GDP, two to three times less than during the Cold War.

The two presidential candidates do differ in their preferred approach to national missile defense and a couple of other specific matters. But on broad matters of the size and cost of the military, this year's real defense debate is not between Gore and Bush. Rather, it is between civilians and the uniformed military.

The nation's four military services did an admirable job of reducing their size and cost during the 1990s while performing difficult missions from Korea to the western Pacific Ocean to the Persian Gulf to the Balkans. But they held onto expensive plans for modernizing their weaponry. During the past decade, actual purchases were modest because the country still had ample new weaponry on hand thanks to the Reagan buildup. Now, weapons built in

the 1970s and 1980s are wearing out and will soon need replacing. It is time to pay the piper.

Independent analysts and organizations differ on just how much it will cost to buy all this new high-tech equipment, including everything from F-22 fighters to V-22 tilt-rotor transport aircraft to Virginia-class submarines to weapons for a lighter, more deployable Army. But virtually all expect that annual defense spending will have to grow by \$30 billion to \$50 billion to acquire it all. That contrasts dramatically with the annual spending increase of \$5 billion that Bush proposes, or the figure of \$10 billion that Gore prefers. Costs would go up even more if Bush deploys a large national missile defense.

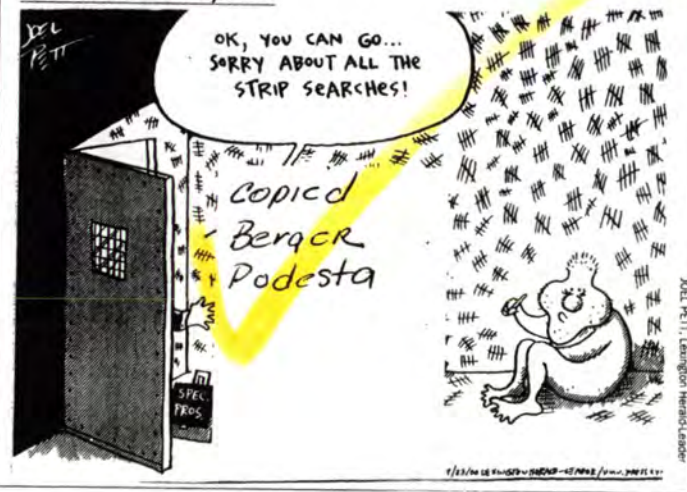
One need not read between the lines of Pentagon budget plans. Recently, the uniformed military has become remarkably blunt about what it wants. One of the joint chiefs, Marine Corps Commandant Gen. James L. Jones, has suggested that annual defense spending should be at least 4% of gross domestic product. That would translate into an annual spending increase of \$100 billion or more, 10 times what Gore proposes and 20 times what Bush advocates.

Jones may just be offering a high first bid to dramatize what he sees as a grossly insufficient defense budget. Yet the official weapons acquisition plans of the services show evidence of a yawning gap between what the uniformed military considers necessary and what politicians promise.

This chasm is too wide to be healthy. Perhaps we need to consider spending a bit more of the surplus on the armed forces. But given the nation's military prowess and lack of serious rivals, the notion of an annual defense spending increase of \$100 billion—or even half as much—has little in the way of logic and even less in the way of political plausibility. The leaders of the military services need to reassess. There are less-expensive ways to keep a modern, capable military.

Michael O'Hanlon is a senior fellow at the Brookings Institution.

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itics: The senator says
-to-face debate will be
uled, but the challenger
es her of hiding.

EG KRIKORIAN
STAFF WRITER

ough a face-to-face showdown
is unscheduled, U.S. Sen. Di-
Feinstein and her Republican
opponent, Rep. Tom Campbell, are
ing off in an old-fashioned
radio.

weeks before election day,
Feinstein has launched her first po-
dvertising since the primary, a
nd radio spot that will run on
s in the Central Valley at a cost
e than \$100,000, according to
ampaign.

ad, playing from Bakersfield to
ento, features a man and a
discussing Feinstein's en-
ents by law enforcement
and the nonpartisan California
bureau, the state's largest farm
ation.

pbell will also be on the air.
Beginning today at 9 p.m., the
e congressman will host three
ing Sunday evening town halls
ast on AM and FM stations in
the state, including KFI-AM
and KLSX-FM (97.1) in Los An-

dueling spots come at a time
Feinstein, far ahead in the
swaging about as low-profile a
ion campaign as any incum-
ould envision.

month, with the Senate back-
on, her campaign anticipated
ne second-term senator would
most of her time in Washing-
D.C. Then, a handful of sched-
appearances in Monterey and
angeles had to be postponed
she suffered a compound frac-
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Iraqi Christians
seeking asylum in
the U.S. are
escorted to the
INS building at
the San Ysidro
crossing by an
immigration
officer, right.

ANN JOHANSSON
For The Times

Thankful Iraqi Christians Reach U.S.

■ **Immigration:** Group of
Chaldeans is allowed to leave
Mexican custody to pursue
asylum requests in San Diego.

By KEN ELLINGWOOD
TIMES STAFF WRITER

SAN DIEGO—Freed after three days in
Mexican custody, Faruz Toma and nearly
two dozen fellow Iraqis stepped onto U.S.
soil Saturday, visibly relieved to be able to
continue their quest for asylum in the
United States.

"Thank you! Thank you very much!"
Toma, 30, exulted on arriving at the San
Ysidro border crossing. Trundling a small
suitcase and wrestling with two plastic
bags crammed with his family's belong-
ings, he summarized his feelings in halting
but succinct English. "Very happy," he
said. "Not back to Iraq."

Others, toting small children and knap-

sacks, voiced similar emotions as they
trooped 200 yards past tourists and sou-
venir vendors into the U.S. border station.
They were met by U.S. immigration offi-
cials and taken aside for processing as as-
ylum seekers.

The 23 Iraqi Christians were the second
group bused to the port of entry by Mexi-
can officials, who decided Friday to release
all 133 emigres who have been held by
Mexican federal police at a Tijuana hotel
since Wednesday.

Another bus was expected later Satur-
day, and more groups of about 20 were to
arrive in coming days.

News of the arrivals sent a thrill through
San Diego's influential community of Chal-
deans, Christians from Iraq who had mobi-
lized to prevent the migrants from being
deported to the Mideast nation.

"I'm going to tell everyone [Sunday]
morning that miracles can happen," said
Father Michael Bazzi of St. Peter Chaldean
Catholic Church in El Cajon, a hub for San
Diego's 15,000 to 20,000 Chaldeans. "It

happened this week."

The arrivals Friday night and Saturday
brought to 124 the number of Iraqis who
have arrived in the United States since
Wednesday to seek asylum. Of those, 42
are children, said Immigration and Natu-
ralization Service spokeswoman Lauren
Mack. Once they reach the U.S., the INS
detains them in a federal facility until their
asylum applications are processed.

By late Saturday, however, 16 people—
including children and pregnant women—
had been released from U.S. custody for
humanitarian reasons. Bazzi said the
church was receiving some of them and
placing them with family members in San
Diego.

Others remained in U.S. custody.

Mexican officials, who detained the Ira-
qis as illegal immigrants, agreed to release
them as long as U.S. immigration officials
were prepared to process asylum applica-
tions, some of which had been submitted
two months ago. The INS dispatched extra
staffers to the port of entry to handle the

increased flow of arrivals.

Meanwhile, Mexican federal immigra-
tion officials released two San Diego resi-
dents who are U.S. citizens, including a 15-
year-old boy; they had been arrested at the
Tijuana hotel Tuesday. Immigrant-smug-
gling charges were pending against three
other Americans, but Mexican federal im-
migration officials said those might be
dropped. Four other San Diegans of Iraqi
descent were charged with lesser viola-
tions of immigration law.

Some of those held at the Suites Royal
hotel in Tijuana were awaiting interviews or
final decisions by U.S. authorities on asylum
applications.

By seeking U.S. asylum while still in
Mexico, the emigres hoped to avoid being
detained by the INS while their requests
were considered. But the first group of Iraqis
instead decided to hand themselves over to
U.S. officials after others in Tijuana reported
being shaken down for bribes by men who
appeared to be Mexican police officers, said
relatives of those staying at the hotel.



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THE PAPER REPORT

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YORK TIMES

Y, SEPTEMBER 24, 2000

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Barton Silverman/The New York Times

he Bahamas' Chandra Sturrup, left, was sixth.

Jones and Greene

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or whose s a dad-ugh life s name, baseball uttal. park in onstruc-plained "When ay, 'He

a bounding spring as if the track were a trampoline. Essentially, the race was over in the first five meters. She accelerated into her long searing stride and skipped across the finish line in 10.75 seconds, the fastest time in the world for a woman this year and the preamble to her attempt to become the first female athlete in track and field to win five gold medals in the same Olympics.

This was the first time American athletes had won the men's and women's 100-meter sprints since Lewis and Florence Griffith Joyner were awarded first place at the 1988 Summer Games in Seoul, South Korea. Lewis actually finished second in that race but was later declared the winner after Ben Johnson of Canada was stripped of his gold medal for testing positive for anabolic steroids.

So dominant was Jones's performance tonight that her margin of victory — 37-hundredths of a second — was the greatest in the Olympic 100 meters since Marjorie Jackson of Australia won a hand-timed race in 1952. Tonight, Ekaterini Thanou of Greece finished far behind in 11.12 seconds for the silver, and Tanya

Continued on Page 48

U.S. and Others Press for Cuts In Price of Oil

Officials Also Discuss Strategy on the Euro

By JOSEPH KAHN

PRAGUE, Sept. 23 — The top financial officials of the United States, fresh from an unprecedented synchronized plunge into world oil and currency markets, joined other rich nations today in vowing to fight what they described as double jeopardy for the global economy.

In a communiqué issued after Group of 7 financial leaders met here, ministers said they would monitor currency markets to see whether they needed to follow Friday's coordinated central bank action to shore up the euro, Europe's battered common currency, with further interventions. But they used stronger language on oil prices, saying it was "crucial for the world economy" that oil-producing nations take steps to reduce prices, which have tripled since early 1999.

"Oil prices are the largest dark cloud in the blue sky of the global economy," Treasury Secretary Lawrence H. Summers said after the Group of 7 meetings, speaking of a recent run-up in the price of crude oil to a 10-year high of more than \$30 a barrel. "Prices need to return to a more historical range."

The Clinton administration's decision on Friday to tap the Strategic Petroleum Reserve to help dampen oil prices won praise in the communiqué. Other Group of 7 nations are considering releasing oil from their reserves, and ministers discussed ways of breaking oil distribution bottlenecks and ways of putting diplomatic pressure on the Organization of Petroleum Exporting Countries, officials said in describing the talks.

The attempts to correct currency and oil prices cast the United States, which often argues that such markets should take care of themselves, as an aggressive interventionist, evoking expressions of surprise from other Group of 7 ministers. Several said Friday's concerted buying of euros and selling of dollars, yen and other currencies had gone smoothly,

Continued on Page 6

Further Steps Taken To Lower Oil Prices

The administration took several more steps to cushion the oil market against shortages and to soften the shock of higher prices on consumers. President Clinton also directed the Department of Health and Human Services to release \$400 million to help poor families buy fuel, a record allocation for the program.

Article, Page 22.

40 STATES FORFEIT HEALTH CARE FUNDS FOR POOR CHILDREN

\$1.9 BILLION TO BE SHIFTED

New York and 9 Other States That Spent Allotment Will Get Unused U.S. Aid

By ROBERT PEAR

WASHINGTON, Sept. 23 — Forty states will soon lose hundreds of millions of dollars of federal money that was supposed to provide health insurance to children in low-income families, federal and state officials say.

The money — 45 percent of the \$4.2 billion provided by Congress — remains unspent by the states after three years. It will be given to New York and nine other states that used their full allotments of federal money under the Children's Health Insurance Program, which was created by Congress, with much enthusiasm and fanfare, in 1997.

"We would like to be able to keep that money and use it to provide health care to children," said Helene Robinson, director of the state program in Louisiana, which expects to lose \$63.7 million, or 63 percent of its federal allotment of \$101.7 million.

California and Texas account for more than half of the unspent money — \$590 million and \$446.3 million, respectively. Together, they have 29 percent of the nation's 11 million uninsured children.

Health care for children has become a major issue in the presidential campaign. Vice President Al Gore, the Democratic nominee, says Gov. George W. Bush, the Republican candidate, has a dismal record of providing health insurance to children in Texas.

Mr. Bush rejects the criticism. Texas officials say 100,000 children have enrolled in the new program since they began taking applications in April.

Dan Bartlett, a spokesman for the Bush campaign, said Mr. Gore "should address the problems on his own watch." Mr. Bartlett said that the number of uninsured children nationwide had increased since the Clinton administration took office, and Census Bureau reports show that the 11 million figure is up from 9.6 million in 1993.

States have until Sept. 30 to spend the money they were allotted. In interviews with The New York Times, officials in 20 states gave these reasons for failing to use their full allotments:

Some states took a year or more to start enrolling children.

Some were reluctant to put up the state money they had to spend to obtain the full amount of federal

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WEEKLY REPORTS
FOR THE WEEK ENDING
September 22, 2000

9.26.00

September 23, 2000

MR. PRESIDENT:

Attached are the following weekly reports:

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

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WEEKLY ECONOMIC BRIEFING OF THE PRESIDENT OF THE UNITED STATES

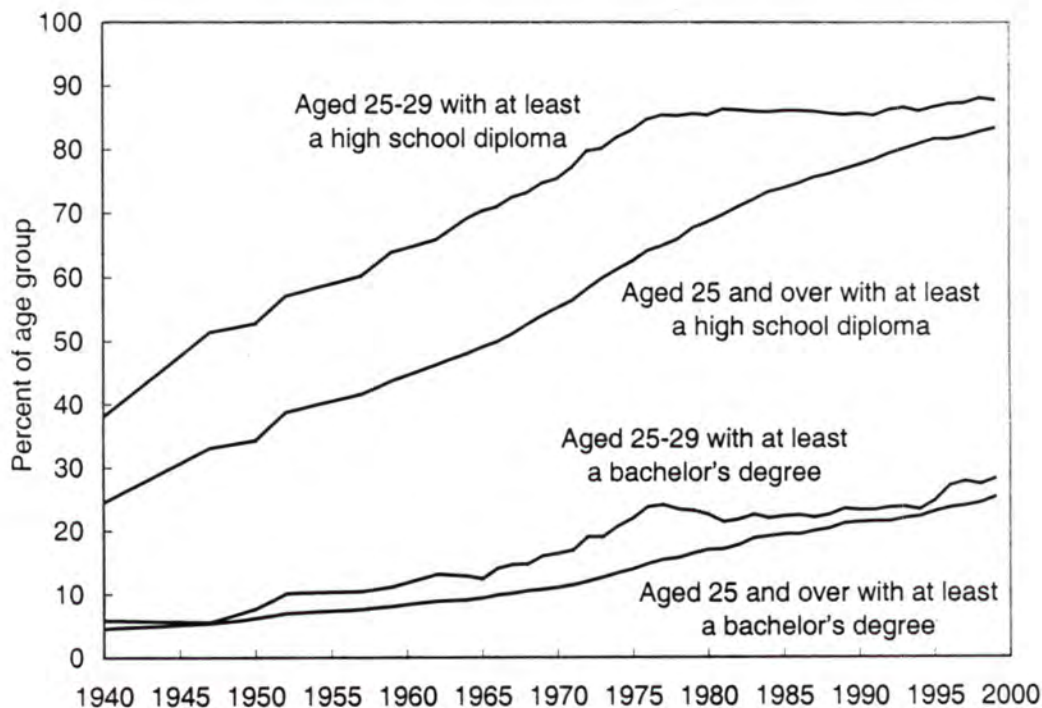
Prepared by the Council of Economic Advisers
with the assistance of the Office of the Vice President

September 22, 2000

*Copied
Bailey
Podesta*

CHART OF THE WEEK

Educational Attainment of Adults



The share of Americans aged 25-29 with at least a high school diploma has exceeded 85 percent since 1977. As a result, the share of the population aged 25 and older with at least a high school diploma has increased steadily, reaching 83.4 percent in 1999. The share of young adults with a bachelor's degree or more exceeded its 1977 level in 1995 and reached an all-time high of 28.2 percent in 1999.

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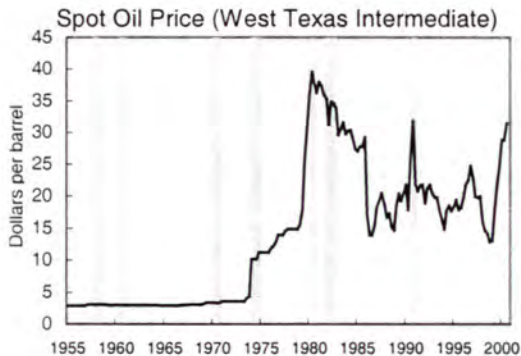


"Anyway, who needs oil? We've got the internet."

CURRENT DEVELOPMENT

Oil Prices and the Macroeconomy

Three of the past four recessions have been preceded by a sharp rise in oil prices (see chart), raising legitimate concerns about the possible impact of the latest surge in oil prices. While the economy today is less vulnerable to an oil price shock than it was in the past, a sharp enough rise in oil prices could be disruptive.



Swings in oil prices. At about \$31 per barrel, crude oil prices in August were roughly \$10 higher than they were a year earlier. Prices this month have surged to \$37 per barrel. Oil prices had fallen sharply during the Asian economic crisis in 1998. But over the past 2 years, prices have risen as world economic growth (at 3.6 percent per year) has outpaced growth in world oil production

capacity (at 0.9 percent per year). Current high prices should encourage growth in capacity, and futures markets expect prices to fall about \$4 by January. Still, uncertainty about how much surplus production capacity can come online and about Iraqi intentions suggest the possibility of further price increases in the near future.

Energy prices and inflation. A \$10 per barrel increase in oil prices like the one we experienced through August directly boosts the CPI by 0.6 percentage point. Natural gas prices would also be pushed up as a result of utilities and industry substituting away from oil. The price level could be pushed up a bit more in the longer run when higher energy costs feed through to other goods. But if oil prices stabilize, the post-shock *inflation rate* should recede toward earlier levels.

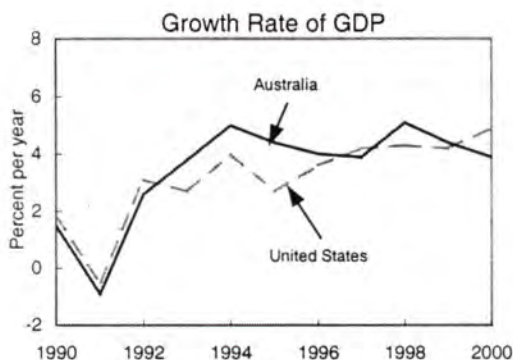
Macroeconomic effects. A \$10 per barrel increase in oil prices costs domestic oil consumers about \$71 billion annually. Roughly \$35 billion of this is a transfer to domestic oil producers, but the remaining \$36 billion is transferred to foreign oil producers. Transfers to foreigners represent a drain on purchasing power that reduces aggregate demand. Monetary policy would face a hard choice between supporting aggregate demand and fighting inflation.

Conclusion. This analysis suggests that recent high oil prices will have a moderating effect on U.S. economic growth. However, the economy today is remarkably strong, with high employment, low inflation, and strong productivity growth. In addition, oil is less important to the economy than it once was: ~~the United States consumes only 52 percent as much oil per dollar of real GDP as it did in 1973.~~ Nevertheless, the calculations above suggest that a sustained increase in oil prices to over \$40 per barrel, if it should happen, would further increase the danger of some combination of weaker growth and higher inflation.

SPECIAL ANALYSIS

Australia's Olympian Economy

As the eyes of the world turn to Sydney for the Olympic Games, it appears that the United States and Australia share more than athletic prowess in swimming. Like the United States, Australia is experiencing a remarkable and long-lasting economic boom, with growth averaging 4 percent per year over the past 7 years (see chart). Growth continues to be robust this year. This rapid growth stands in stark contrast to the plodding 2.8 percent per year experienced during the 1980s.



Some similarities. Durability is not the only attribute that the Australian expansion shares with ours. Like us, Australia has experienced a drop in its unemployment rate, a shrinking government debt-to-GDP ratio, and low inflation. Moreover, productivity growth has remained high even as the expansion has matured. Australia also has a declining household saving rate and a large current account deficit (nearly 6 percent of GDP).

But some differences. Despite these similarities, Australia has some way to go before attaining the American standard of living: per capita income in 1999 was only 74 percent that of the United States. Some features of Australia's expansion are also different from ours. Perhaps most notably, Australia's surge in productivity and economic growth is not concentrated in the production of information technology equipment, which only accounted for 0.7 percent of GDP in 1997 (compared with 3.1 percent in the United States). Taken together, however, value added in IT and communication equipment production, software, and communications services was not too far away from U.S. levels (3.3 percent of GDP in Australia compared with 4.4 percent in the United States). In other words, Australia does not produce much IT equipment, but it does appear to be a fairly intensive user of the technology.

Policy foundations. Macroeconomic and structural policy changes have been important sources of renewed productivity growth in Australia. The Labour Party undertook extensive reform of the economy during the 1980s, when the financial sector was deregulated and tariff rates were reduced. In the 1990s, state-owned enterprises were privatized, extensive labor market reforms were enacted, and tariffs were reduced further. Over the 1990-97 period, the value of proceeds from privatizations was second only to that of the UK among OECD countries. For instance, the major telecommunications company Telstra is now partially privatized, and Australia is home to a number of vigorously competing mobile telephone companies. The average tariff rate on imports was 4 percent in 1998,

down from over 12 percent in the mid-1970s. Floating the Australian dollar proved to be a key macroeconomic policy change, particularly during the East Asian financial crisis. With a floating exchange rate and a sound banking sector, the Australian economy was scarcely affected, even though 57 percent of exports went to East Asia in the quarter before the collapse of the Thai baht.

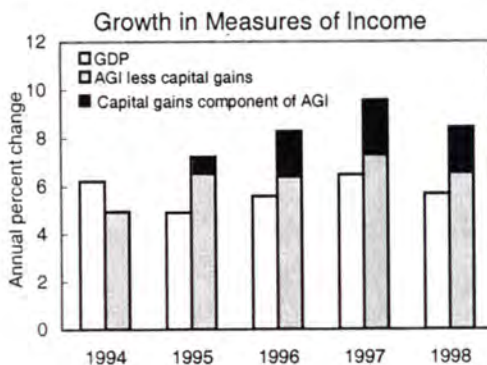
Prospects. It remains to be seen whether the Australian experience over the past decade signals the beginning of a new era of accelerated growth, or merely a transitional phenomenon associated with the efficiency gains arising from previous policy reforms. However, recent studies conclude that trend productivity growth has risen relative to its lows during the 1980s, suggesting that the recent gains could prove to be enduring.

The Sustainability of the Revenue Boom

Recurring revenue “surprises” have been an important feature of the fiscal landscape in recent years. Personal income tax receipts, in particular, have surged from less than 8 percent of GDP in 1994 to nearly 10 percent most recently, with the “excess” growth contributing an additional \$141 billion to deficit reduction over the 1994-98 period, according to Congressional Budget Office calculations.

The faster growth in revenue relative to GDP reflects two main factors: faster growth in taxable income than in income generally; and an increase in effective tax rates (the percentage of income paid in taxes). Uncertainty about how much of this increase is sustainable introduces uncertainty into future surplus estimates.

Strong growth in taxable personal income. CBO estimates that 60 percent of the excess growth in individual income tax receipts arose from rapid growth in adjusted gross income (AGI) relative to GDP. About 17 percentage points of this



excess growth occurred because personal income grew faster than the other income components of GDP. The rest reflects strong growth in sources of AGI that are not included in GDP (because they are not earned as a result of current production), such as capital gains realizations and retirement benefits—with capital gains being particularly important (see chart).

A rise in the effective tax rate. Statutory individual income tax rates have not increased since 1993, and some fell as a result of the 1997 Taxpayer Relief Act. Nevertheless, the overall effective tax rate on non-capital gains AGI has increased, accounting for the remaining 40 percent of excess growth in individual income tax receipts. Two factors account for most of this increase in effective tax rates, in roughly equal measure:

- Real bracket creep. For taxpayers in general, income has grown faster than the inflation-indexed adjustments to tax brackets. Because of this, more aggregate taxable income is now taxed at the higher rates.
- More taxable income at the top. Especially strong growth at the top of the income distribution also increased the proportion of aggregate income subject to the top tax rates. Tax return data indicate that the share of taxpayers with AGI above \$200,000 (in 1998 dollars) rose over the 1994-98 period, and those taxpayers experienced higher-than-average growth in income. Incomes grew even more for taxpayers with more than \$1 million in AGI. As a result, the

share of taxes paid by these highest-income groups rose; of course, their after-tax incomes rose substantially as well.

Will excess revenue growth continue? CBO expects that growth in overall real income will continue and that taxable retirement income will pick up in the future, but it anticipates that capital gains relative to GDP will level off. However, revenue estimation remains an inexact science. In January, the CBO forecast that the net effect of these factors would be a slowing in individual tax receipts relative to GDP over the next 5 years, followed by a pick-up that would bring individual income taxes as a share of GDP back to about 10 percent by 2010. By the July update, however, another surprise had raised the 2000 forecast to 10.2 percent, which was projected to remain roughly level before rising slightly in 2009. Thus, the CBO forecast now assumes that the rise in individual income tax revenues as a share of GDP to its current, historically high level was not due to unusual factors that will soon be reversed. But it is fairly conservative in assuming that these revenues cannot grow faster than GDP indefinitely.

Conclusion. Of course, the tremendous uncertainty surrounding economic forecasts and predictions about real GDP, stock market values, and other variables affecting taxable income feeds directly into uncertainty about these revenue forecasts. Since 1986, CBO revenue forecasts for the upcoming budget year have been off by absolute amounts averaging 4 percent of revenues (and 0.8 percent of GDP), with overestimates occurring in the 1986-92 period, and underestimates since then. Moreover, forecast errors grow larger as the forecast horizon lengthens. Nevertheless, the apparent connection of economic growth with higher tax revenues, and hence with higher national saving and lower interest rates, suggests another channel through which a strong economy can be self-sustaining.

BUSINESS, CONSUMER, AND REGIONAL ROUNDUP

Beige Book Shows Moderating Economy. Economic activity expanded at a moderate pace in August and early September, according to the latest reports from the Federal Reserve districts. Most districts characterized economic conditions as strong, and several said that economic growth continued to be solid. However, reports from Atlanta, Chicago, St. Louis, and Minneapolis indicated a softened overall pace of growth. Consumer spending was flat to modestly higher in most districts in August compared with late spring and early summer. Home sales and construction continued to soften, but several districts reported that commercial real estate activity was robust. In agriculture, crop prices remained low, and yield prospects dimmed in areas of the Southeast and Midwest experiencing prolonged drought conditions. Labor markets remained tight in most districts. Nevertheless, there were few indications that higher wages were being passed to consumers as higher productivity and competitive pressures held prices in check.

Educational Attainment Gaps Remain among Young Adults. As has been the case for about a decade, women aged 25-29 are more likely than men in that age group to hold high school diplomas and bachelor's degrees, according to new Census tabulations of 1999 data. The 1999 data are also broadly consistent with past evidence on racial and ethnic differences: the share of blacks aged 25-29 with high school diplomas (89 percent) is just a little below that of whites (93 percent), but the share of Hispanics is a much lower 62 percent. While 51 percent of Asians and 34 percent of whites aged 25-29 have bachelor's degrees, the shares are just 15 percent for blacks and 9 percent for Hispanics. Particularly low educational attainment among the foreign-born Hispanic population pulls down that group's overall attainment. Among all Hispanics aged 25 and over, 44 percent of the foreign-born hold high school degrees, compared with 71 percent of the native-born. The native-born are also more likely than the foreign-born to hold college degrees. This pattern contrasts with that of non-Hispanics aged 25 and over, among whom the foreign-born are more likely than the native-born to hold bachelor's degrees.

Effects of Public School Choice in Chicago. Allowing Chicago high school students to attend a public school other than the one in their neighborhood has not achieved its objective of greater racial integration, according to a recent study. But it has increased the amount of segregation by ability. It also appears to have boosted graduation rates. Overall, the study found that high-ability students were most likely to leave their neighborhood schools. White students were more likely to travel to attend high-achieving schools, while black students were more likely to travel to attend career academies. Controlling for pre-high-school test scores, the study found that students who traveled were more likely to graduate. School characteristics explained the higher graduation rates of those attending career academies, while unobservable characteristics of the students themselves seemed to be most important for those traveling to high-achieving academic high schools. The authors found no evidence that school choice lowered the probability of graduation for the students who remained in their neighborhood schools.

INTERNATIONAL ROUNDUP

IMF Projects Strong World Growth. World GDP is projected to grow 4.7 percent in 2000 and 4.2 percent in 2001, according to the latest IMF *World Economic Outlook*. U.S. growth is projected to slow from 5.2 percent in 2000 to 3.2 percent in 2001. The Euro area recovery should continue, with growth of 3.5 and 3.4 percent in 2000 and 2001 respectively, up from 2.4 percent in 1999. Differences in growth rates within the Euro area are projected to narrow. The IMF is somewhat optimistic for Japan, claiming that a modest recovery is gathering momentum and should produce growth rates of 1.4 and 1.8 percent in 2000 and 2001 respectively. Latin America and East Asia are continuing to recover from the 1997-98 crises, with projected growth rates of more than 4 percent in 2000 and 2001 for Latin America and over 6 percent for East Asia. Growth in Africa is expected to rise to 4.5 percent in 2001, spurred by the recovery in South Africa and the oil-exporting countries. However, the poorest countries in Africa have been hit hard by both higher oil prices and declining prices for their commodity exports.

Red Tape for Start-ups Is Severe in Many Countries. A recent study of 75 countries finds substantial variation in the number of procedures that must be followed and the time and costs involved before a new business can open its doors. The number of required procedures varies from a low of 2 in Canada to a high of 20 in Bolivia, with a worldwide average of about 10. The minimum time required to complete these procedures ranges from 2 to 174 business days, with a worldwide average of 63 days. The payments required for a single firm to complete these procedures can surpass 2.6 times per capita GDP. The United States requires 4 procedures that take an average of 7 days to complete at a cost of a little under 1 percent of per capita GDP. The study found that countries with heavier regulation frequently exhibit greater corruption and a larger unofficial economy. Even after controlling for the costs associated with corruption and bureaucratic delay, the study found that starting a business is expensive, especially in poor countries. Moreover, stricter regulation of business start-ups was not found to be associated with higher quality products, less pollution, or more favorable health and safety outcomes.

Who Is the Most Corrupt of Them All? Nigeria is perceived to be the most corrupt economy in the world and Finland the least corrupt, according to Transparency International's latest corruption perceptions index. The index, which ranks countries from least to most corrupt, is calculated using 16 separate surveys from eight independent institutions and gauges the level of corruption perceived by business people, country analysts, and the general public. The United States was ranked 14th least corrupt, trailing several European countries, Singapore, Australia, New Zealand, and Canada. Nigeria received its poor ranking despite recent anti-corruption efforts, but survey respondents were optimistic about future efforts. By contrast Zimbabwe, Ukraine, and the Philippines registered considerable drops from last year. Recent political scandals in Ireland and Germany were also associated with a decline in their rankings.

RELEASES THIS WEEK

U.S. International Trade in Goods and Services

The goods and services trade deficit was \$31.9 billion in July; the deficit was \$29.8 billion in June.

Housing Starts

Housing starts were unchanged in August at 1.53 million units at an annual rate.

MAJOR RELEASES NEXT WEEK

Consumer Confidence—The Conference Board (Tuesday)
Median Income and Poverty Reports (Tuesday)
Advance Durable Shipments and Orders (Wednesday)
Gross Domestic Product (Thursday)

U.S. ECONOMIC STATISTICS

	1970- 1993	1999	1999:4	2000:1	2000:2
Percent growth (annual rate)					
Real GDP (chain-type)	2.9	5.0	8.3	4.8	5.3
GDP chain-type price index	5.2	1.6	1.6	3.3	2.6
<u>Nonfarm business (NFB) sector:</u>					
Productivity (chain-type)	1.7	4.1	8.0	1.9	5.7
Real compensation per hour:					
Using CPI	1.0	2.2	1.3	0.0	1.7
Using NFB deflator	1.5	3.3	2.9	1.1	2.9
Shares of Nominal GDP (percent)					
Business fixed investment	11.4	12.9	13.0	13.4	13.7
Residential investment	4.5	4.3	4.3	4.3	4.2
Exports	8.2	10.6	10.8	10.8	11.0
Imports	9.2	13.4	13.9	14.2	14.6
Personal saving	6.6	1.6	1.1	0.1	0.2
Federal surplus	-2.8	1.3	1.5	2.4	2.4
	1970- 1993	1999	June 2000	July 2000	August 2000
Unemployment Rate (percent)	6.7**	4.2**	4.0	4.0	4.1
Payroll employment (thousands)					
increase per month			57	-51	-105
increase since Jan. 1993					21989
Inflation (percent per period)					
CPI	5.8	2.7	0.6	0.2	-0.1
PPI-Finished goods	5.0	2.9	0.6	0.0	-0.2

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

FINANCIAL STATISTICS

	1998	1999	July 2000	August 2000	Sept. 21, 2000
Dow-Jones Industrial Average	8626	10465	10663	11015	10766
Interest Rates (percent per annum)					
3-month T-bill	4.78	4.64	5.96	6.09	5.98
10-year T-bond	5.26	5.65	6.05	5.83	5.88
Mortgage rate, 30-year fixed	6.94	7.43	8.15	8.03	7.90
Prime rate	8.35	8.00	9.50	9.50	9.50

INTERNATIONAL STATISTICS

Exchange Rates	Current level September 21, 2000	Percent Change from Week ago	Year ago
Euro (in U.S. dollars)	0.856	-0.7	-18.2
Yen (per U.S. dollar)	106.5	-0.7	1.6
Major currencies index (Mar. 1973=100) (trade-weighted value of the U.S. \$)	101.3	-0.0	9.5

International Comparisons ^v	Real GDP growth (percent change last 4 quarters)	Unemployment rate (percent)	CPI inflation (percent change in index last 12 months)
United States	6.0 (Q2)	4.1 (Aug)	3.4 (Aug)
Canada	5.3 (Q2)	6.8 (Jul)	2.5 (Aug)
Japan	0.8 (Q2)	4.7 (Jul)	-0.5 (Jul)
France	3.4 (Q2)	9.6 (Jul) ^{2/}	1.7 (Aug)
Germany	3.6 (Q2)	8.3 (Jul)	1.8 (Aug)
Italy	2.6 (Q2)	10.8 (Apr)	2.6 (Aug)
United Kingdom	3.1 (Q2)	5.5 (May)	3.0 (Aug)

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

2/ Data from OECD standardized unemployment rates.

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THE WHITE HOUSE
WASHINGTON

September 22, 2000

MEMORANDUM FOR THE PRESIDENT

FROM: GENE SPERLING
SUBJECT: NEC WEEKLY REPORT

New Markets: This week, the Senate Finance Committee came close to marking-up the tax portions of the New Markets/Community Renewal/Empowerment Zone package (without APICs, NMVCs, or Charitable Choice), but it was postponed twice and is now scheduled for Tuesday. 72 amendments (21 Democratic and 51 Republican) delayed the mark-up. Most recycled previous tax proposals, unrelated to the bill, and now have been resolved; however a handful of non-tax amendments remained to be negotiated or dropped before Senator Roth will hold the mark-up. The imprimatur of the Finance Committee would further the bill's momentum in the Senate, where Republican leadership has been less committed than was Speaker Hastert. Although the bill is not ideal, our goal is simply to get to Conference, where we can help resolve the remaining issues. For this reason, we have not tried to wage a battle to fix the bill through amendments.

Specifically, Chairman Roth's mark deals with two of our objections to the House-passed bill: it immediately increases and indexes the Low Income Housing Tax Credit; and extends tax incentives in DC through 2009. However, it also has some problems: it halves the House-passed New Markets Tax Credit, and delays its start-up until 2002; it would standardize all the tax incentives between the existing 31 Empowerment Zones and 30 newly created "Renewal Zones" (Roth's new name for the Republican Renewal Communities); and it would not create a third round of EZs. Finally, the mark includes several unrelated provisions, including a Moynihan/Roth proposal to allow Amtrak to issue \$10 billion in tax-exempt bonds; a Historic Homeownership Tax Credit for renovating historically significant residences; a Broadband Internet Access Tax Credit for internet hardware provided in rural and underserved urban areas; a revision to the Federal Unemployment Tax paid by Indian Tribes, to prospectively treat them equivalently to state governments and nonprofits, rather than as private corporations; an extension of Brownfields Environmental Expensing through 2003 and removal of the targeting provisions; elimination of tax on certain scholarships; and other technical items. Due to special efforts by Senator Robb and other Senators with EZs in their states, the final mark may also include higher funding levels for Round 2 Empowerment Zones.

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Charitable Choice: There have been no further negotiations on the Charitable Choice (CC) provisions of the competing Santorum-Lieberman and Robb bills in the Senate. You will recall that the House bill applies our agreed-upon version of CC to the SAMHSA drug abuse counseling program at HHS, while Santorum-Lieberman applies more problematic CC provisions broadly to many programs. This week, key House and Senate members separately and unexpectedly negotiated a SAMHSA reauthorization bill, including a different version of CC, but one that we believe is acceptable. The drug abuse counseling community will be much happier with this version; civil liberties groups will have the same concerns that they had with the House version, since it contains the Title VII exemption for religious organizations. The reauthorization bill is expected to pass the House easily next week, rendering obsolete the New Markets CC language on SAMHSA. If so, one of the attractions of the New Markets package for Republicans will be lost, perhaps cooling further their enthusiasm.

H-1B: A cloture vote is scheduled for Tuesday on the Hatch/Abraham H-1B bill. Senate Democrats are expected to vote for cloture, which it will cut off an opportunity to consider immigrant fairness legislation as well as H-2A. As you suggested in your meeting with the CHC, Daschle has agreed to work hard to get at least 34 Senators to sign a letter affirming that they will sustain a veto of the CJS appropriations bill if it does not contain the immigrant fairness provisions. CHC seems satisfied with this strategy. Aside from failing to address the immigrant fairness issue, the Hatch/Abraham bill does not accomplish our goals for H-1B legislation. For example, we had proposed quadrupling the current visa fee to fund increased worker training. The Hatch/Abraham bill does not increase the fee, although we understand that Senators Kennedy and Hatch have agreed to support together a more modest increase, if the bill goes to conference. In addition, the bill would not count individuals with a Masters degree or higher toward, whereas we proposed setting aside a significant proportion of the visas within the cap for such workers to target the program to higher-skilled jobs. Finally, the Hatch/Abraham bill includes some deeply troubling changes to the permanent employment-based immigration system. We are assessing which provisions are most troublesome and how we how much leverage we have to get changes in a final bill. We will continue to work to get improvements to the legislation.

Hollings Legislation on Foreign Telecom Investment: I held another interagency meeting this week to discuss our strategy for combating Sen. Hollings' rider to the CJS appropriations bill, which would prohibit the FCC from granting a license to any company which is more than 25% owned by a foreign government. The rider would be WTO incompatible and is opposed by the Chamber and the AFL-CIO -- a rarity. (The rider also would block Deutsche Telekom's proposed takeover of VoiceStream, a small wireless company.) A growing number of Members also recognize that the rider is problematic, but few are prepared to fall on their sword over it. Your advisors agreed that the Administration needs to intensify its opposition to the bill. In a Sept. 21 letter from Amb. Barshefsky to Reps. Bliley, Tauzin and Oxley, the Administration said it would try to make privatization part of the new services trade negotiations currently underway at the WTO. Finally, we received a letter from the German government committing (albeit with no timetable) to reduce its stake in Deutsche Telekom to zero, which may help to slow the bill's momentum on Capitol Hill.

US-UK Open Skies: As you may know, merger talks between British Airways and KLM, the Dutch flag carrier, fell apart yesterday (Sept. 21), seemingly over issues of who would control the merged airline. NEC staff had met earlier in the week with senior officials with BA and the UK embassy, who wanted assurances that an open skies agreement (a prerequisite to a merger) was possible, in the context of a BA-KLM alliance with Northwest Airlines. (We assured them it was doable.) Absent this merger, BA will probably try to "kiss and make up" with American Airlines, but prospects for an open skies agreement under that scenario are less likely. That's because, to grant antitrust immunity for an alliance with American (the UK's quid pro quo for open skies), competition authorities will require BA to give up slots at Heathrow, where American also has a major presence. In the past, BA has not been willing to pay that price.

Prescription Drugs: There appears to be little movement in the Senate on prescription drugs. As you know, on September 7th, Senator Roth introduced a prescription drug plan that would offer federal block grants to States to provide prescription drug coverage only to low-income Medicare beneficiaries. Despite Senator Lott and Senator Nickles' support and Lott's hope to mark-up legislation in the last two weeks, Roth shows no indication of ever marking-up his plan in the Finance Committee. All Senate Finance Democrats, including Senators Breaux and Kerrey, have now expressed opposition to Roth's proposal. In addition, Senate Democrats appear to be unified in opposing Roth's plan.

Bankruptcy: On Friday, I sent Senator Lott a letter formally rejecting the Republicans written offer. The letter expressed appreciation for their constructive steps on the homestead exemption and means test safe harbor, but reiterating your unwillingness to sign a bill that: (1) fails to address effectively the discharge of debts from clinic violence; and (2) includes two special interest provisions: Senator Hatch's amendment to the Fair Debt Collection Practices Act or Rep. Arney's rent-to-own amendment. It also expressed your continued concern with the bill's lack of balance. Meanwhile, the press report that Lott, Hatch, and Hyde met and devised a new strategy: to drop the Hatch and Arney amendments, attach the bill to an appropriations measure (reportedly Transportation), and add what Lott called a "sweetener" -- the Violence Against Women Act (VAWA). By eliminating any clinic access amendment but including VAWA, Lott hopes to soften the opposition of women's groups, but thus far they have objected strongly, insisting that VAWA should move independently.

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THE WHITE HOUSE
WASHINGTON

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September 22, 2000

MEMORANDUM TO THE PRESIDENT

FROM: Barbara Chow

SUBJECT: DPC Weekly Report

1. Drunk Driving -- .08 BAC: This week, the Department of Transportation's (DOT) National Highway Transportation Safety Administration released two separate studies reaffirming the need for a national standard for impaired driving at .08 blood alcohol content (BAC). The first study detailed how critical driving skills are seriously impaired at higher BAC levels, and the second study found that the 3 year-old .08 BAC law contributed to a 13.7 percent decline in drunk driving deaths in Illinois. The .08 BAC issue has been the major sticking point on the FY 01 Transportation Appropriations conference report, which is now set to merge with the VA-HUD conference report. The Transportation appropriations conference committee chairman, Frank Wolf, has remained a steadfast supporter of the .08 BAC measure. MADD and DOT both believe that there is a good possibility of getting the measure included in the final bill.

2. Education -- Fattah Commission on Educational Equity: You recently spoke with Congressman Fattah about his interest in establishing a National Commission on Educational Equity. He has asked you to create this commission by executive order. We met with him this week to discuss his ideas and received a draft copy of his proposal. The main purpose of the commission would be to galvanize a public debate on inequities in school financing and determine the role the federal government could play in eliminating these disparities. We are reviewing his proposal and will make a recommendation to you in the near future.

3. Education -- Vouchers: This November California voters will vote on Proposition 38, which would give approximately \$2.6 billion in taxpayer money to provide a \$4,000 voucher to parents toward private or religious school tuition. A report by professors at Stanford and UC Berkeley shows that the premises of the education measure is flawed. In addition to the fact that the program is not limited to impoverished families and would aid the affluent, it is unlikely that enough students could leave the public school system in order for the state to break even on the cost of the program. Currently, there are about 672,000 seats in private schools. In order for California to break even, they would need enough private school seats for 1.5 million children.

TP - use studies
for future

No good idea
unlike Fattah
proposal - would
be a waste of money
in all

9-26-00

4. Health Care - - Nursing Home Quality: Following last week's radio address, your nursing home staffing and accountability initiative was transmitted to Congress. Congressman Rush Holt, with the blessing of Congressmen Gephardt and Waxman, introduced the legislation on Thursday. Senator Grassley and Senator Breaux are expected to introduce a version of it as well. Senator Grassley intends to add this initiative to the provider giveback legislation that is expected to move out of the Finance Committee as early as late next week. The proposal has been extremely well received by both consumer and provider groups as achieving the appropriate "carrot and stick" balance necessary to improve quality and enhance accountability in nursing homes.

5. Health Care - - Long-term Care Tax Credit Update: This week we met with Speaker Hastert's staff to discuss the prospect of working together to pass your \$3,000 long-term care tax credit in exchange for our support for an enhanced tax deduction for the purchase of private long-term care insurance. We indicated our interest in working collaboratively as long as we could ensure that only high quality private insurance products were eligible for the tax deduction. Speaker Hastert's staff was very receptive, but noted Congressman Archer's longstanding opposition to such tax credits. We subsequently had a positive conversation with Senator Grassley, who has already introduced a similar legislative package, which he hopes will emerge from the Senate Finance Committee. Chip Kahn, the President of the Health Insurance Association of America, pledged his strong commitment to working with the Administration to push the Congress to pass this legislation before adjournment.

1/2 meeting
with the staff
of the Speaker
of the House
- 11/1/00
by Allen

6. Tobacco - - Enforcement of State Laws Forbidding Sales to Minors: Every state is required to have a law outlawing tobacco sales to minors, and they must conduct unannounced inspections of retail outlets to ensure that they are following the law. These provisions, known as the Synar amendment for sponsor Mike Synar, were enacted in 1992. Each state has individual, year-by-year targets to meet, and by 2003, every state must ensure that less than 20 percent of its retailers sell tobacco products to minors. Last week, HHS notified four states (AK, PA, WV, WY), plus the Virgin Islands of a preliminary finding that they failed their yearly target. The Marshall Islands failed to comply with unannounced inspections. This is an improvement from last year when 7 states (DE, IA, MO, MN, OR, RI, WY) plus D.C. failed their targets. The states and jurisdictions may enter into an appeals process before the Secretary makes a final determination. As required by current law, unless the Secretary finds extraordinary circumstances, these states would lose 40 percent of their Substance Abuse Prevention and Treatment block grant (these funds would be distributed to other states). The Secretary has continued to indicate the Administration's willingness to work with Congress to develop a more flexible system of penalties for enforcing noncompliance while maintaining our commitment to reducing youth smoking. Since this long-term solution is not likely to be enacted this year, an alternative penalty is included in the Labor/HHS appropriations bill. In lieu of losing Substance Abuse funds, states must agree to commit additional state funds to ensure compliance with state laws prohibiting the sale of tobacco products to minors. The amount to be committed is equal to one percent of each state's block grant allocation for each percentage point by which it missed its target rate.

The Synar program has been successful in achieving its goals: all states now have laws making it illegal to sell or distribute tobacco to minors and all have developed methods for

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measuring statewide compliance and conducting unannounced inspections. State surveys found average retail sales rates to minors fell from approximately 40 percent in FY 1997 to approximately 19 percent in FY 1999. HHS expects all states to meet the goal of less than 20 percent of retailers selling tobacco to minors by 2003; FY 1999 surveys show 24 states have already achieved this goal.

7. Welfare - - Individual Development Accounts: This week, HHS will award Individual Development Account (IDA) grants to 25 new communities and 16 renewal communities and states for the second year of the five-year IDA demonstration program. As part of your FY 2001 budget, you proposed funding the third year of IDAs at the full authorized level of \$25 million. For the past two years, Congress has only appropriated \$10 million. You also proposed allowing low-income families to use IDAs to save for a car that will help them get or keep a job. Last February, you highlighted this proposal as part of a comprehensive package of transportation actions to help low-income families get on the road to work and opportunity. However, the authorizing committee's staff (Gregg) objects to this provision. We will continue to explore other avenues to get this done this year.

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

September 22, 2000

00 SEP 22 04:12

MEMORANDUM FOR THE PRESIDENT

CC: JOHN PODESTA

FROM: GEORGE T. FRAMPTON, JR. *GTF*

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SUBJECT: CEQ WEEKLY REPORT

RESOURCE STEWARDSHIP

Everglades Restoration

The Senate completed debate on the Water Resources Development Act of 2000 yesterday, authorizing provisions of the Administration's Comprehensive Everglades Restoration Plan. The legislation, which is scheduled for a floor vote on Monday, enjoys broad bipartisan support as well as the backing of the agricultural, urban, business, State and environmental communities. In response to continued criticism of the quality of analyses of proposed Army Corps of Engineers projects, highlighted in a series of articles in the Washington Post, an amendment was accepted calling for a National Academy of Sciences study into the economic and environmental analyses of Corps projects.

Can they get out of this?

Maine Land Conservation

Earlier this week, Governor Angus King wrote to thank you for the Administration's support of a historic land conservation initiative in Maine. The Governor's letter also included an update on recent progress to complete the 656,000-acre purchase of lands from private timber companies in northern Maine, in partnership with local environmental groups and the Administration. In order to receive federal grant money for land acquisition in FY 2001, the State has actively worked to secure full funding for the state grants portion of your Lands Legacy initiative.

Done

PROTECTING COMMUNITIES FROM TOXICS

Small Business Liability Relief from Superfund

Next Tuesday, the House is expected to take up the Small Business Liability Relief Act, introduced by Rep. Oxley. This bill would provide Superfund liability relief for small businesses that send "household waste" and de micromis amounts of hazardous waste to Superfund sites. While the Administration has long supported providing small businesses with such relief, we have indicated that we cannot support the bill as introduced. The environmental community has come out in opposition to the bill, as have many House Democrats. It is unclear at this time whether the necessary changes will be made to the bill to garner Administration support when it comes to the floor.

*W. G. ...
U. G. ...*

INTERNATIONAL LEADERSHIP

Sea Turtle Conservation

This week the Senate gave its advice and consent to ratification of the Inter-American Convention for the Protection and Conservation of Sea Turtles – the first environmental treaty approved by the Senate in four years. Sea turtles have emerged as an important symbol for the US environmental community, both because of their majestic nature (migrating thousands of miles across open oceans) and due to a recent WTO challenge to US laws protecting sea turtles.

The WTO dispute settlement panel signaled it would defer to a multilateral agreement of the type approved by the Senate; US ratification of this treaty will help underscore that trade and environmental concerns need not be in conflict.

THE WHITE HOUSE
WASHINGTON

September 22, 2000

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MEMORANDUM FOR THE PRESIDENT

FROM: ROGER BALLENTINE *RB*
RE: OFFICE OF ENVIRONMENTAL INITIATIVES WEEKLY

Press, Science and Industry

Old growth forests are far better than plantations of young trees at removing carbon dioxide from the air, according to a study appearing in the latest edition of *Science* (9/22) and reported by *The New York Times* (9/22). In old forests, huge amounts of carbon taken from the air are locked deep in the soil, where it can stay for many centuries, the study said. When such a forest is cut almost all of that stored carbon is eventually returned to the air in the form of carbon dioxide. Our position on sinks in the Kyoto negotiations includes provisions to prevent incentives to cut old growth forests. Environmentalists, however, continue to push us to take stronger positions.

Legislative

While the Senate Finance Committee mark-up of the New Markets tax package has been delayed, we expect that Chairman William Roth (R-DE) will include in his Mark several of our climate change tax proposals. The Chairman's Mark will likely include the hybrid car tax credit, and perhaps tax credits for biomass and super-efficient appliances. *Box!*

Senator John McCain (R-AZ) held his third in a series of hearings on climate change before the full Senate Commerce Committee. The hearing featured a panel of energy industry representatives, environmentalists, and Senator Diane Feinstein (D-CA). McCain opened the hearing by stating that "it's time that Congress steps up to the plate".

cc: The Vice President
John Podesta
Steve Ricchetti
Mara Rudman
Martin Baily
Chuck Brain
Charles Burson
George Frampton
Neal Lane
Robert Lawrence

What can
the energy
industry
do?



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

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September 22, 2000

9-26-00

MEMORANDUM FOR THE PRESIDENT

FROM: NEAL LANE *neal*

CC: JOHN PODESTA

SUBJECT: OSTP WEEKLY REPORT

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Podesta*

Congress Remains Cool to Institute for Information Infrastructure Protection

Norm Augustine, from your Committee of Advisors on Science and Technology, and I met yesterday with Senator Gregg in support of funding for the Institute for Information Infrastructure Protection (IIIP). You requested \$50 million in the budget of the National Institute of Standards and Technology to establish the Institute, but neither the House nor the Senate appropriations bills contain any funding for it. Senate report language acknowledges the importance of the issue but states that insufficient planning had been done for IIIP to justify funding. Norm and I informed Sen. Gregg of our progress in developing an innovative partnership that will successfully engage industry and academia on this issue. We explained to the Senator how the Institute would be structured and operated, why neither industry nor existing federal R&D programs will otherwise support the necessary research, and why this issue is too important to wait until next year. The Senator listened politely but was noncommittal. We hope to meet with Senator Hollings in the near future to follow up on previous conversations.

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NBAC to Release Report on International Research

Your National Bioethics Advisory Commission (NBAC) is close to completing a draft of its report on ethical issues in U.S.-funded human subjects research conducted abroad. The draft could be posted on the Web for public comment as early as Sept. 29. The Commission makes a number of recommendations for ensuring that the same ethical standards applied to domestic research are observed in international research, with particular emphasis on prohibiting exploitation of research participants in developing countries. For example, NBAC endorses prior voluntary informed consent of participants and ethical review by an independent review body. The Commission concludes that no research should be done that is not responsive to the health needs of the host country. Perhaps the most controversial element in the report is an assumption that there is an obligation to continue to provide the experimental treatment to research participants following the completion of a successful clinical trial. It is likely that clinical research sponsors will object to the added financial burden imposed by such a responsibility.

good

Dr. Muhammad Yunus Addresses PITAC

I had the pleasure of hosting your friend and colleague, Dr. Muhammad Yunus, at a special session of your Information Technology Advisory Committee (PITAC) on Tuesday. Dr. Yunus presented his ideas for establishing an International Center for Information Technology to Eliminate Global Poverty. His proposal combines his winning formula of using microcredit to empower the impoverished of the Third World with efforts to bridge the global digital divide. The PITAC's reception of Dr. Yunus was

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enthusiastic, and the PITAC co-chairs are evaluating ways that the Committee can help to advance the proposal. We are hoping to work with several other parts of the White House, including CEA and NEC, to assist Dr. Yunus in gaining the support of high tech CEOs, potentially through a special event which you could host. Lynn Cutler has also expressed interest in joining us because of the tribes' special interest in microcredit. This connection would also assist our efforts to bridge the geographic digital divide within our own nation, which you highlighted during your April tour.

Summer of 2000 not in "Hot Ten"...

Although the summer of 2000 was warmer than normal in the United States, the National Climatic Data Center reports that it was not one of the ten hottest summers since records were begun in 1895. It was, in fact, the eleventh warmest summer on record with an average temperature of 73.2 degrees Fahrenheit, 1.1 degrees above the average. Although the summer does not rank in the top ten, preliminary data indicate that this was the warmest January - August period on record. During this time, every state in the contiguous U.S., except South Carolina, Maine, and Vermont has been warmer than normal.

...but Tibetan Ice Core Reveals 1990's as Warmest Decade in One Thousand Years

U.S. and Chinese scientists have published an analysis of a high-resolution ice core record from Dasuopu, Tibet. The cores confirm earlier findings that the 1990's were the warmest decade for at least the last 1000 years. The cores also showed a clear record of at least eight major droughts caused by a failure of the South Asian Monsoon, the worst being a catastrophic seven-year-long dry spell that devastated the region at the end of the 18th Century. The researchers also say the ice layers from the last century reveal a four-fold increase in dust and a doubling of chloride concentrations, suggesting an increase in dryness and desertification in the region.

Space Shuttle Comes Home

The space shuttle Atlantis made a pre-dawn landing at the Kennedy Space Center on Wednesday, ending a 12-day mission to stock the International Space Station with everything from oxygen to shampoo.

As NASA brought one space shuttle home, another was getting ready to take its place in space. The shuttle Discovery is already on its launch pad, undergoing final preparations for launch Oct. 5. Discovery's crew will be responsible for attaching the centerpiece of a massive truss to the ISS that will eventually hold the largest solar-power array ever seen in space.



THE WHITE HOUSE
WASHINGTON

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September 22, 2000

MEMORANDUM FOR THE PRESIDENT

FROM: MICKEY IBARRA

SUBJECT: OFFICE OF INTERGOVERNMENTAL AFFAIRS WEEKLY REPORT

p. Z. Cohen
for reply

CARA

Yesterday Brent Coles, Republican Mayor of Boise, ID and President of the US Conference of Mayors, was delighted to participate in your departure statement on the Conservation and Reinvestment Act (CARA). The mayors continue to visit the White House and Capitol Hill to push for permanent multi-year conservation funding. In particular, they are urging Congress to pass funding of \$125 million for Urban Parks and Recreation (UPAR). IGA will soon host a follow-up call with several key mayors, CEQ and Legislative Affairs on CARA. The NGA also called again to reinforce their strong desire to *fully* fund CARA.

TOBACCO TASK FORCE

Today IGA notified the offices of Governors Patton, Barnes, Hunt, and Carnahan as well as the office of AG Mike Easley (NC) about the Executive Order to establish the Tobacco Commission. Governor Patton is very excited about the commission and did a very positive press conference on it this afternoon. Governor Hunt's enthusiasm was more reserved, but his office did indicate the Governor would support establishing the Commission.

DGA POLICY CONFERENCE

IGA attended the annual DGA Fall Policy Conference on Prescription Drugs. The meeting was attended by six Democratic governors: Paul Patton, Jim Hodges, Tom Vilsack, Don Siegleman, Parris Glendening and Ronnie Musgrove. IGA shared information on our end-of-session priorities as well as the Administration's accomplishments.

MAYOR ARCHER

Mayor Archer called today to let you know he is feeling much better than when you saw him in Detroit yesterday. He also reports that your remarks to the Michigan State Bar Association were well received.

SOUTHWEST BORDER CONFERENCE

The Interagency Task Force on the Economic Development of the Southwest Border hosted a daylong conference, *Celebrating the Southwest Border*, at the International Trade Center last

Wednesday. There were approximately 300 participants from the border communities in attendance. Administration officials addressing the group included Secretary Glickman, Secretary Richardson, Deputy Secretary Saul Ramirez, Charles Burson, and Maria Echaveste. The conference provided a venue to define the SW Border Initiative and explain how the 17-member Federal agencies should contribute to improving the overall social and economic quality of life for the residents of that region. The conference also facilitated a dialogue between the Federal agencies and the communities. Later that afternoon, IGA, along with Administrator Alvarez, hosted an Indian Treaty Room reception in honor of the four pilot communities in the SW Border that were chosen by the Task Force.

INSULAR AREAS

Guam WWII Claims: We worked out differences within the Administration on legislation to study the need for additional compensation to the people of Guam for suffering during the enemy occupation of the island in World War Two.

Commonwealth Plan Hearing: The House Resources Committee has scheduled a hearing for October 4 on the Puerto Rico Commonwealth party's proposal for the islands to become a nation in a permanent union with the U.S. The plan calls for continued U.S. citizenship and programs, and for Puerto Rico to be able to veto Federal laws and enter into international agreements.

BEST PRACTICES

California Scholarship Program: On Sept. 11, Governor Gray Davis fulfilled his State of the State promise to significantly expand opportunities for higher education by funding \$118 million to establish the Governor's Merit Scholarship programs. The new scholarship program will guarantee awards to one out of three California high school graduates. All high school students from poor to middle class families (under approximately \$75,000 family income) who earn a certain GPA (3.0 to attend a four-year college; 2.0 for a community college) will qualify for tuition or fees and subsistence aid. Amounts of the awards range from full tuition at California Community Colleges, State Universities, and the University of California, to \$9,700 for tuition support at private universities in California. For community college students, awards of \$1,551 may be used for books and living expenses.

Denver Trade Office in Shanghai: Mayor Webb announced plans to open a Shanghai trade office in early 2001. Denver may be one of the first cities to practice normal trade relations with China since the U.S. Senate voted for PNTR. Colorado looks to export industrial machinery, computer equipment, food products, and transportation equipment. The Mayor is very excited that PNTR will open up China's "virtually untapped markets without burdensome tariffs."

Governor Schafer in China: Governor Schafer is in China on a two week trade trip. His office did call to congratulate the Administration on the passing of China PNTR in the Senate.

DEATH NOTICE

Isabel Serna, the widow of former Sacramento mayor, Joe Serna, passed away of cancer on Monday. IGA will arrange for a condolence letter to the family.

THE WHITE HOUSE
WASHINGTON

September 22, 2000

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MEMORANDUM FOR THE PRESIDENT

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

SUBJECT: Summary of Cabinet Weekly Reports
September 16 - 22, 2000

DEPARTMENT OF THE TREASURY

- **G-7 Meetings:** On September 23, Secretary Summers met with G-7 Finance Ministers and Central Bank Governors in Prague, Czech Republic. They discussed the state of the global economy, reform of the international financial institutions, and the HIPC initiative.
- **World Bank/IMF Annual Meetings:** On September 24-25, Secretary Summers will attend meetings of the International Monetary and Financial Committee (IMFC) and Development Committee (DC) at the World Bank/IMF Annual Meetings in Prague, Czech Republic. The IMFC agenda includes IMF reform and strengthening the international financial architecture. Secretary Summers has asked that the agenda include a discussion on engaging the international financial institutions in the fight against abuse of the international financial system. Discussion topics for the DC meeting include poverty reduction, provisioning global public goods, and supporting economic development. In addition to these topics, Secretary Summers will push for a more active World Bank role in fighting financial abuse and making significant progress on multilateral development bank reform.
- **Money Laundering:** On September 19, Deputy Secretary Eizenstat met with the Russian Central Bank Deputy Chairman and his delegation to discuss Russia's current anti-money laundering legislation. Bilateral meetings were held throughout the week with high-level Treasury and DOJ officials, during which implementation of anti-money laundering controls were discussed and extensive overviews of U.S. anti-money laundering programs and policies were presented. Federal Reserve Governor Kelley, Under Secretary of State Pickering, and various senior DOJ officials participated in these meetings. On September 21, Eizenstat spoke to the Anti-Corruption Summit 2000 on

new steps that have been taken to combat international money laundering and bribery. Officials from 55 countries in charge of auditing, financial management, and anti-corruption activities attended the Summit.

- **Electronic Payments:** On September 22, Deputy Secretary Eizenstat gave the opening address at a conference hosted by Treasury on the future of electronic payments. Innovations in online payment systems are crucial for the growth of e-commerce, and the conference addressed issues of technology development, security, and privacy.
- **H-1B Visas:** The Administration and Congress are working to reach a compromise increasing the number of H-1B visas available to be issued. All of the 15,000 H-1B visas available in FY2000 were used by spring 2000. Under current law, the number of H-1B visas allowed to be issued would fall to 107,500 in FY2001 and to 65,000 in FY2002 and FY2003. A bill before the Senate would increase the limit to 200,000 for FY2000 to FY2002. The Administration has introduced a proposal tying an increase in the number of H-1B visas to legislation granting equitable treatment among immigrants from Central America, Haiti, Nicaragua, and Cuba, and allowing certain long-term immigrants to apply for legal residency. Senate Republicans would like to tie an increase in H-1B visas to changes in the immigration program for agricultural guest-workers, which the Administration opposes.
- **HIPC:** With only a few weeks remaining in the legislative session, Treasury has been working to translate the growing bipartisan support for debt relief into commitments on the part of Republican leaders to provide the full authorization and appropriation for HIPC in this year's budget. On September 21, Secretary Summers joined NEC Chairman Sperling and members of Congress for a press event on Capitol Hill aimed at delivering a unified message on the critical importance of full funding for HIPC this year. On September 20, Secretary Summers delivered a speech at Johns Hopkins University outlining U.S. priorities for the Prague World Bank/IMF Annual Meetings, including the importance of Congressional support for HIPC to U.S. global leadership. At the Annual Meetings, debt relief will be a central focus both in and outside the meetings, and where other shareholders will urge the U.S. to contribute its fair share.
- **New Markets:** On September 18, Senate Finance Chairman Roth introduced his mark-up of the Community Renewal and New Markets Act of 2000. It includes: \$7B in New Markets Tax Credit allocations; an extension of the existing Empowerment Zones and the DC Zone through 2009, but with a 15-percent wage credit; 30 new Renewal Zones with the same tax incentives as the Empowerment Zones; an immediate increase and indexing to inflation of the Low-Income Housing Tax Credit; and a number of other tax provisions unrelated to New Markets and Empowerment Zones. Chairman Roth's mark-up falls short of the House-passed bill and the Administration's proposal, particularly with regard to Empowerment Zones and the Low-Income Housing Tax

Credit. It also fails to provide authorization for America's Private Investment Companies and New Markets Venture Capital firms. Chairman Roth has twice postponed a vote on the bill, which is now expected to occur next week.

DEPARTMENT OF JUSTICE

- **LAPD Conduct:** On September 19, the Los Angeles City Council voted in favor of entering a Federal consent decree with DOJ to address the Department's claim that the Los Angeles Police Department engages in a pattern or practice of unconstitutional conduct. DOJ had long sought an enforceable agreement by Los Angeles that it would implement reforms to prevent police corruption and protect civil rights. DOJ is continuing to meet with Los Angeles officials to reach final agreement on the terms of the consent decree.
- **Wen Ho Lee Prosecution:** The Senate Intelligence Committee has tentatively scheduled a hearing for September 26 on the Wen Ho Lee prosecution. The committee proposes to call Attorney General Reno, FBI Director Freeh, and Secretary Richardson as witnesses. The Senate Judiciary Committee has tentatively scheduled a hearing for either September 26 or 27.

DEPARTMENT OF THE INTERIOR

- **Kennewick Man:** On September 25, DOI will announce its decision on the disposition of the 9,000-year-old Kennewick Man human remains in a press release. The recommendation to the Army Corps of Engineers will be to repatriate the bones to the five claimant Indian Tribes under the Native American Graves Protection and Repatriation Act (NAGPRA). The bones were found to be Native American, for the purposes of NAGPRA, after radiocarbon analysis was completed in January 2000. The Corps' administrative process on Kennewick Man is the subject of a lawsuit in Federal district court.
- **Mercury in Fish:** On September 26, USGS is expected to release a report that documents elevated levels of mercury in bass and catfish in the Bear and South Yuba River watersheds in the Sierra Nevada of northern CA. USGS has submitted its data to the CA Environmental Protection Agency. Environmental health officials from NV and Placer and Yuba counties will be working with CA's toxicologists to determine whether formal notification to the public will be made concerning potential risks from fish consumption in these areas. At this time, there are no fish consumption advisories.

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- FEMA Hurricane Hugo Loan Forgiveness:** A major portion of a \$42M FEMA loan to help the U.S. Virgin Islands recover from the devastating effects of the 1990 Hurricane Hugo may yet be forgiven under existing Federal law. FEMA approved a loan to the Virgin Islands government not to exceed \$89M in 1990, of which the government drew down \$50M.

DEPARTMENT OF AGRICULTURE

- San Joaquin Valley, CA:** On September 21, Secretary Glickman and Representative Dooley toured the San Joaquin Valley of CA to discuss regional economic development, inspect farm conditions, and highlight the latest Distance Learning and Telemedicine (DLT) grants. In Selma, Raisin, and Bakersfield, CA, Glickman addressed your plan to establish by Executive Order a Federal Task Force on Developing the San Joaquin Valley, which will extend the country's economic boom to a rural and yet under-developed area of CA by improving interagency cooperation and using Empowerment Zones and Enterprise Communities. At these events, Secretary Glickman also announced \$18.7M for 84 DLT grants that will endow 49 distance learning projects to improve information and distance-teaching access to over 300 educational facilities and fund 35 telemedicine projects that will improve rural access to high-quality health diagnostics and instruction at over 200 health care facilities.
- Wildfires:** As of the week of September 17, more than 77,033 wildland fires have burned over 6.65 million acres. Last week, there was a loss of 409,000 acres to fire. Ten fires over 1,000 acres in size are currently being managed, down from a high of 67 during August. The total number of acres burned this year is more than twice the ten-year average. Total personnel assigned to wildland fires decreased during the week of September 10 to just over 5,000 people. This reflects a significant moderation of fire activity nationally due to cooler temperatures and some precipitation. Military battalions that are assigned to fires have been reduced from four to one, with Marines assigned to the Clear Creek fire in ID. International representation on fires is at 400 people, down from the high of 800 two weeks ago.
- Commodity Markets:** Wheat cash prices were up slightly last week, but futures dropped on news of higher-than-expected spring wheat production, published in USDA's September 12 *Crop Production* report. Both corn and soybean prices fell as USDA forecast record large crops for both crops. A tightening supply situation sent rice prices higher, as USDA forecast lower 2000-2001 stocks and production. Weakening foreign mill demand drove cotton prices down. Cattle prices followed boxed beef prices up toward the end of the week. Slow marketings boosted hog prices. Brisk demand lifted broiler prices. Cheese and butter prices were little changed.

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DEPARTMENT OF COMMERCE

- **67 Percent Census Response Rate:** Nearly 7 of 10 homes in the U.S. filled out and returned a Census 2000 questionnaire for a final response rate of 67 percent, two percentage points over the rate for the 1990 census. For the first time in history, the response rate improved over the immediately prior census, reversing a three-decade decline in response rates since 78 percent in 1970. For 2000, a 61 percent response rate was predicted. In this context, the 67 percent response rate is an unexpected, extraordinary achievement. Secretary Mineta and Census Bureau Director Prewitt announced the final response rates at a September 19 press conference.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

- **HIV Prevention Report:** On September 27, HHS's Institute of Medicine (IOM) is expected to release a report that provides an assessment of current, multi-sectorial HIV prevention activities in the U.S., the role of the media, and the involvement of the medical community and other social organizations, such as schools and faith communities. The IOM will develop a national vision for HIV prevention in the next five years consistent with advances in biomedical and behavioral sciences.
- **National HIV/AIDS Conference:** On October 1-5, HHS will sponsor the U.S. Conference on AIDS in Atlanta, GA. This event, the largest of its kind in the U.S., creates a forum to discuss how to meet the program and infrastructure development needs of community-based organizations providing a variety of HIV/AIDS treatment and support services.
- **Tribal Consultation Conference:** On October 9-12, HHS's Indian Health Service (IHS) and DOI's Bureau of Indian Affairs (BIA) will sponsor the 2000 Tribal Self-Governance Fall Conference in Nashville, TN. The conference will focus on discussion and refinement of a National Tribal Self-Governance Strategic Plan for the new Administration and the Congress. The plan will include the identification of self-governance priorities and proposed objectives and action items. Approximately 1,000 tribal leaders, self-governance coordinators, and IHS and BIA officials are expected to attend.
- **Child Care Research Grants:** During the week of September 25, Secretary Shalala will announce \$10M in FY2000 discretionary grants and contracts for child care research to develop critically needed information on child care and its effects on child development and family well-being. This new research will help develop innovative strategies to meet the needs of low-income families struggling to afford quality care for their children. The awards will be made by September 30.

- **Early Head Start Grants:** On September 19, Secretary Shalala announced \$42M in Early Head Start grants to provide comprehensive child development and family support services to low-income families with pregnant women and children under three. Grants were made to 110 recipients, adding 5,000 new children to the Early Head Start program. With the awarding of these grants, 44,000 children will be served by Early Head Start. The programs will provide services that create an environment that builds upon and responds to the unique strengths and needs of each child and family, including: high quality early education, home visits, parent education, comprehensive health services, nutrition, and ongoing support to parents through case management and peer support groups.

DEPARTMENT OF TRANSPORTATION

- **Firestone Tire Investigation:** On September 21, the National Highway Traffic Safety Administration (NHTSA) updated its website database regarding the Firestone tires currently under investigation. NHTSA's latest data shows 101 reported fatalities related to these tires. Ninety-two of those fatalities were reported initially to NHTSA. Currently, the fatalities reported by Firestone are not individually listed in the database because Firestone requested that the data concerning the fatalities and other claims be treated as confidential information. NHTSA recently denied the request for confidentiality, but Firestone has ten working days to appeal that decision. If an appeal is not made, NHTSA will include Firestone's records in the next database update. NHTSA also updated injury and complaint counts. As of September 15, 2,226 complaints are entered in the database, including more than 400 reported injuries. Some of these may be duplicates and will be evaluated as NHTSA's investigation continues.
- **Helmet Law Repeal Study:** On September 20, DOT's National Highway Traffic Safety Administration (NHTSA) released the results of a new study showing that motorcycle deaths and injuries increased following the repeal of mandatory helmet laws in TX and AR. The mandatory helmet law was repealed in AR in August 1997, and the TX law was rescinded in September 1997. Both states had helmet use rates of 97 percent before the laws were repealed. By May 1998, helmet use dropped to 52 percent in AR and 66 percent in TX. In AR, motorcycle fatalities rose 21 percent in the first full year following repeal, while deaths rose by 31 percent in TX during the same time period. Twenty states and DC require helmets for all motorcycle riders; another 27 states require helmets under a specific age, usually 18.
- **New York Trip:** On September 26, Secretary Slater will travel to New York, NY, to attend a Wall Street Rollout Breakfast with leaders of industry associations. He will also announce the FY2001 award recipients of the Transportation Infrastructure and Improvement Act projects at the World Trade Center.

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- **Los Angeles Transit Strike:** On September 16, the United Transportation Union local in Los Angeles, representing 4,400 bus and rail operators working for the Los Angeles County Metropolitan Transportation Authority (LACMTA), went on strike. This action followed a 60-day cooling-off period ordered by Governor Davis in June and several additional extensions beyond the expiration of the contract. Buses, rail, and subway lines in a 1,400-square mile area of the city are not running. Roughly 450,000 people rely on the transit system. The American Transportation Union local (1800 mechanics) and the Transportation Communications Workers Union local (650 clerks) are honoring the strike. Contract negotiations are ongoing. DOT's Federal Transit Administration is closely monitoring the situation.

DEPARTMENT OF ENERGY

- **Energy Efficiency Standards:** On September 27, Secretary Richardson will announce the proposed energy efficiency standards for residential central air conditioners and heat pumps in CA. By 2020, the standards are expected to save enough energy to negate the need for four new power plants.
- **Abandoned Mine Land Reforestation:** Secretary Richardson and Secretary Babbitt signed an agreement establishing a framework for cooperation between DOE and DOI's Office of Surface Mining, to promote a market-based approach to reclaiming abandoned mine lands through reforestation.
- **Former Soviet Weapons Institutes Projects:** DOE announced seven new projects, valued at \$7.5M, with former Soviet weapons institutes under the Initiatives for Proliferation Prevention (IPP) program. The IPP program aims to engage former Soviet weapons scientists and engineers in peaceful projects with DOE national laboratories and U.S. industry, leading to long-term commercial job opportunities in Russia, Kazakhstan, and Ukraine. The IPP program, since inception, has engaged over 8,000 former weapons scientists and engineers in over 400 projects.
- **Northwest Green Power Summit:** On September 28-29, DOE, the Federal Energy Management Program, and the Federal Network for Sustainability will co-sponsor an event in Seattle, WA, that will bring together Federal agencies, states, utilities, and others interested in procurement of green power. Green power resources have an opportunity to stabilize energy costs for power users, as those resources are not subject to fuel price volatility.
- **Weapons Plant Contract Competitions:** A new contract is scheduled to be awarded for DOE's Kansas City Plant on or about October 17. The primary mission of the Kansas City plant is the production and delivery of electrical, electronic, mechanical, electro-mechanical, and plastic replacement components and hardware in support of the

Stockpile Stewardship Program. Allied/Signal and its predecessors have operated the facility since 1947. The current contract, a Performance Based Management Contract (PBM) Cost-Plus Award Fee with an estimated budget of approximately \$275M, has been extended through December 31.

- **Gasoline Prices Mixed, Stocks Down:** Gasoline spot and futures prices eased last week, despite a further increase in crude oil prices to new ten-year highs. Crude oil market activity reflected continued concerns over the adequacy of OPEC's 800,000-barrel-per-day quota increase, as well as new Middle East tensions stemming from Iraq's claims that Kuwait is stealing oil from its border fields. CA prices again dropped back sharply from post-Labor Day peaks on refinery concerns, returning to mid-August levels. The U.S. average retail price for regular gasoline rose for the fifth straight week, but only by 0.1 cent, to 156.2 cents per gallon as of September 18. The average stands at its highest level since July 10, and 29.4 cents per gallon higher than a year ago. Price changes were mixed, but relatively small, across most regions and formulations. Total motor gasoline stocks fell 4.2 million barrels to 187.6 million barrels on September 15. Stocks of reformulated gasoline were down 1.2 million barrels to 37.3 million barrels as stocks of other finished gasoline dropped 2.5 million barrels to 107.4 million barrels.
- **Record Nuclear Generation:** Based on Energy Information Administration surveys of the electric power industry through June, the upward trend for U.S. nuclear generation is continuing in 2000. For the first half of 2000, nuclear output is higher in each month than in the comparable month of 1999, which was itself a record-setting year.
- **Fuel Economy Guide:** On October 1, DOE and EPA will launch the Model Year (MY) 2001 Fuel Economy Guide. The guide features fuel economy data for new model year cars, sport utility vehicles, and light trucks. The website, launched last year, recently made *Popular Science's* annual "50 Best of the Web" list. In addition to new model year vehicle information, the guide offers fuel economy data for used vehicles dating back to MY 1985. It also provides greenhouse gas emissions data and annual fuel cost information for each vehicle, allows side-by-side vehicle comparisons, and features links to other car-buying websites.

DEPARTMENT OF EDUCATION

- **Campus Week of Dialogue:** On October 10-17, college and university communities across the nation will engage in continued discussions of the complex issues of race and diversity.

ENVIRONMENTAL PROTECTION AGENCY

- **Unapproved Corn Found in Taco Shells:** On September 18, the *Washington Post* reported that a laboratory working with a coalition of environmental groups found a form of genetically modified corn not approved for human food uses in Taco Bell brand taco shells. These taco shells are manufactured in Mexico and sold in U.S. grocery stores (but not in Taco Bell restaurants). The corn allegedly contained a protein used in a genetically modified form of corn approved only for use as animal feed, because of a current lack of available data for determining whether the protein is a human allergen. However, at this time, there is no evidence to suggest that consumption of such products pose a risk to humans. FDA, which has jurisdiction over adulterated foods and may seize foods which are considered adulterated, is attempting to determine the validity of the claim. In addition, EPA will determine if this constitutes a violation of the registration for this type of corn, and will then take appropriate action.
- **Consolidated Air Rule:** This week, EPA finalized its pilot effort to consolidate all Federal air rules for a single industry under your initiative to reinvent environmental regulation. The Pilot Consolidated Air Rule (CAR) applies to the synthetic organic chemical manufacturing industry and consolidates the 16 rules currently affecting the industry into one single rule. Facilities that choose to comply with the CAR rather than the other 16 rules will thus be subject to only one set of emission limitations, monitoring provisions, and record-keeping and reporting requirements. The CAR also eliminates duplicative requirements among the 16 rules. You announced the reinvention initiative in March 1995.

UNITED STATES MISSION TO THE UNITED NATIONS

- **Iraq:** The Security Council reviewed the Oil-for-Food (OFF) program on September 21 and the report of the UN Monitoring, Inspection, and Verification Commission (UNMOVIC) on September 22. On OFF, UN's office of the Iraqi Program briefed the Council on the Secretary General's 90-day OFF report. The UNMOVIC discussions considered Executive Chairman Blix's September 1 report noting that UNMOVIC is ready to commence inspections in Iraq.
- **Eritrea/Ethiopia:** Following the September 15 adoption of a resolution increasing the size of the UN Mission in Ethiopia-Eritrea (UNMEE) to 4,2000 personnel, the UN Secretariat is assembling the military and civilian components of the Mission. Identifying and deploying units from troop contributing countries, naming the senior staff of the mission, and negotiating status-of-forces agreements with the host countries are the priorities.

- **Congo (Kinshasa):** On October 15, the mandate of the UN Mission in the Congo expires, with discussion in the Security Council set to begin on September 26 following publication of a report by the Secretary-General.
- **Bougainville:** On September 26, the Security Council will discuss the peace process in Bougainville. The peace talks there reportedly are going well and USUN hopes for a constitutional solution soon.
- **East/West Timor:** The timing and terms of reference for a Security Council mission to Indonesia and East Timor has not been agreed yet, and the Council will continue to discuss this important issue.

UNITED STATES TRADE REPRESENTATIVE

- **Vietnam:** USTR staff will travel to Vietnam during the week of September 25 to begin discussions on a textiles agreement.
- **Canada's Patent Term:** On September 18, the WTO Appellate Body upheld an earlier ruling against Canada by a dispute settlement panel. The panel agreed with the U.S. that Canada has not met its obligation under the WTO TRIPS Agreement to provide all patents in existence in Canada since January 1996 with a term of protection of at least 20 years from the date of filing the patent application.

SMALL BUSINESS ADMINISTRATION

- **Strategic Partners Meeting:** On September 21, Administrator Alvarez convened a meeting with approximately 60 SBA partners representing 44 organizations nationwide. The groups represent women, African Americans, Asian Pacific Americans, Hispanics, Native Americans, individuals with disabilities, veterans, gays/lesbians and other small business communities. The purpose of the meeting is to strengthen SBA partnerships, build relationships, and continue to develop strategies to utilize the partnerships to maximize outreach to the various communities.

OFFICE OF PERSONNEL MANAGEMENT

- **Transition Guidance:** Last week, OPM issued an employment guide to help Federal agencies with the upcoming presidential transition. The guide contains general information on a wide range of personnel topics that are important to employees of the incoming and outgoing Administrations. The guide is also available on OPM's website.

- **2001 FEHB Premiums:** Reflecting nationwide trends, premiums for FEHBP Health Maintenance Organizations will increase an average 8.5 percent in 2001, while the more traditional Fee-for-Service plans will see an average increase of 10.9 percent. Weighted by population, the overall average increase will be 10.5 percent. The largest factor contributing to the FEHBP premium increase is the rising cost of prescription drugs, which accounts for about 40 percent of the total rise. Other factors include greater use of medical services, the expanded use of more expensive medical technology, and an older population.

GENERAL SERVICES ADMINISTRATION

- **Presidential Transition:** GSA representatives have met with representatives from major Presidential campaigns regarding the presidential transition. GSA is finishing the alterations and repairs to the transition site and has begun to secure furniture for the offices. GSA has also secured a location in Southeast Washington, DC to handle incoming mail.
- **FirstGov Launch:** GSA continues to make preparations for the launch of the FirstGov website. GSA has completed testing of the site and everything has tested successfully. GSA is working with the White House to ensure a smooth and successful launch. On September 22, GSA made calls to House and Senate members to inform them about the launch and will hold congressional briefings on September 25.

SOCIAL SECURITY ADMINISTRATION

- **Guard Killed at SSA Field Office:** On September 18, a security guard at a Sacramento, CA, Social Security office was fatally shot and another person was slightly wounded. More than 50 members of the public were in the office reception area at the time of the shooting. The alleged assailant was arrested shortly afterwards and is in police custody. Counseling was made available to employees and individuals in the reception area at the time, as well as to the family of the security guard. The office, which had been closed since the incident, re-opened on September 21.
- **Scam Targeting Elderly African Americans:** Media reports indicate that hoax letters have been mailed to elderly African Americans throughout the Midwest and the South over the last three weeks, telling them that they may be eligible for \$5,000 in slave reparations or Social Security reimbursements. The letters, which include requests for a Social Security number, are reportedly part of a scam aimed at stealing people's identities and running up bills under their names. SSA is investigating.

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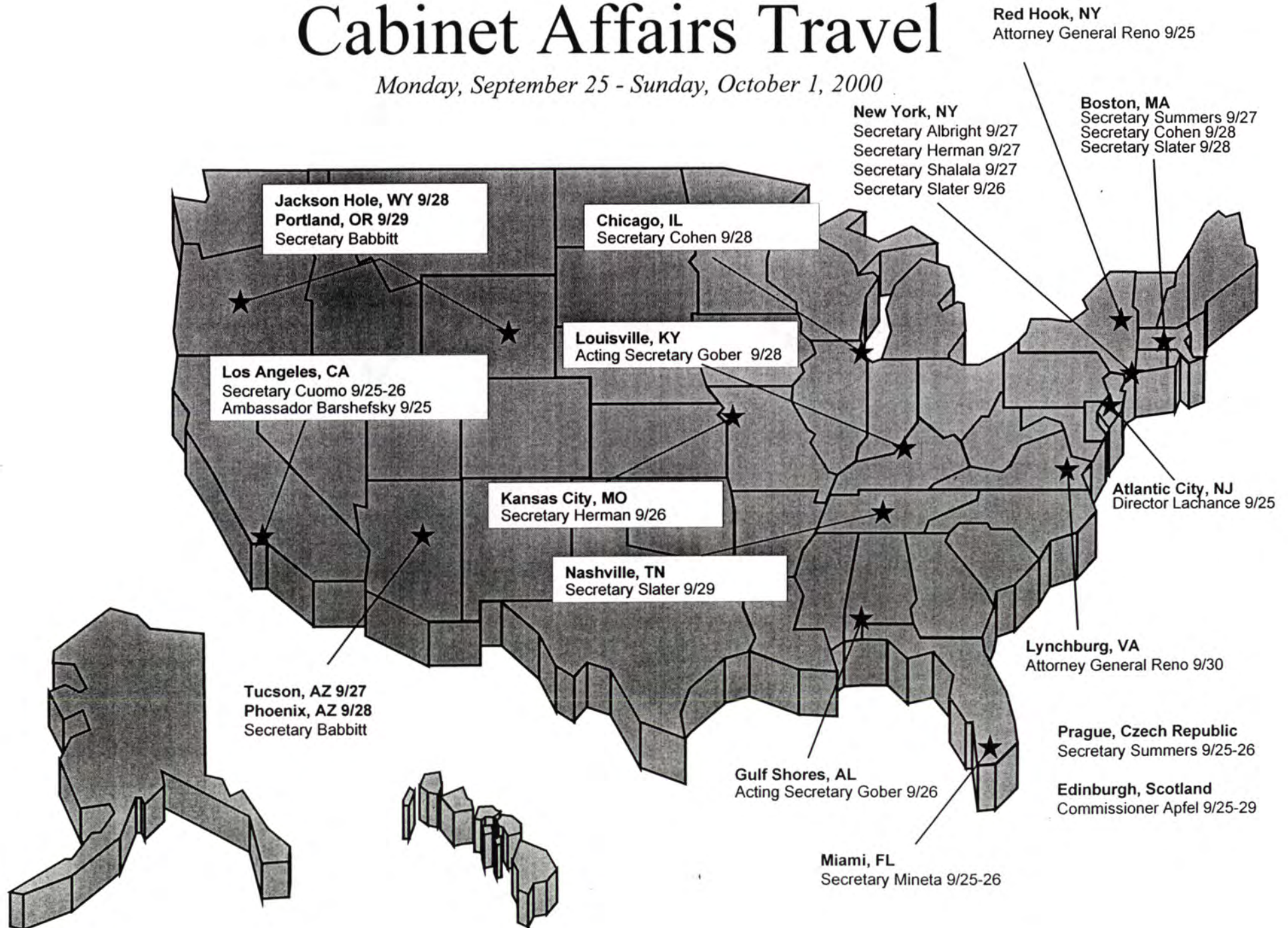
- **New Online Benefit Planners:** By the end of the month, SSA expects to announce new online benefit planners for Social Security disability and survivors benefits. The two planners will allow customers to estimate benefits they and their families would receive if they became disabled or died. SSA will also announce a major enhancement to its retirement planner. The enhanced planner integrates the American Savings Education Council's savings estimator, giving customers a "one-stop shop" for retirement planning tools.

cc:

The Vice President
John Podesta
Martin Baily
Sandy Berger
Sidney Blumenthal
Chuck Brain
Charles Burson
Mary Beth Cahill
Maria Echaveste
George Frampton
Mickey Ibarra
Ben Johnson
Joel Johnson
Janis Kearney
Neal Lane
Jack Lew
Joe Lockhart
Lisel Loy
Buddy MacKay
Minyon Moore
Bruce Reed
Steve Ricchetti
Gene Sperling
Lauren Supina
Loretta Ucelli
Melanne Verveer

Cabinet Affairs Travel

Monday, September 25 - Sunday, October 1, 2000



9-26-00

THE WHITE HOUSE
WASHINGTON

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MEMORANDUM

September 22, 2000

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TO: THE PRESIDENT
FROM: LORETTA UCELLI
STEPHANIE CUTTER
RE: Communications Weekly Report

Overview

This week, we pushed out the message that you are committed to working on behalf of the American people to accomplish the nation's priorities. Through events and other message vehicles, you conveyed your leadership in providing quality long term health care for federal employees and calling on Congress to provide tax credits; preserving and protecting our nation's lands; building One America; providing digital opportunities for Americans with disabilities; and reducing the threat of gun violence in our communities. Also, in a webcast, you announced the launch of FirstGov – the first-ever, U.S. Government web site to provide the public with easy, one-stop access to all federal government on-line information and services.

Tobacco

To demonstrate your and the Vice President's leadership in protecting public health and improving economic opportunity, on Friday, you signed an Executive Order establishing a commission to help tobacco producing communities adjust to changes in the tobacco economy, while continuing to reduce youth smoking. We worked with IGA, Press and others to push out this executive action in targeted states – such as Kentucky and North Carolina – and highlight this Administration's record of protecting our children's health and our farmers' economic viability, while holding the tobacco industry accountable.

Lands Legacy

On Sunday, at an event hosted by the California League of Conservation Voters, you will highlight a new Administration land conservation purchase, which protects part of the world-renowned Big Sur. This purchase, which includes 90 miles of rugged coastline and sheer cliffs meeting the Pacific Ocean, builds on your efforts to protect natural resources and critical lands across America for future generations to enjoy. The purchase will be announced from the White House on Sunday morning. You also will again call on Congress to provide permanent guaranteed funding in the FY2001 budget to support federal, state, and local efforts to protect America's land and coastal resources.

Violence Against Women Act Reauthorization

We are working with the Chief of Staff's Office, DPC, the Women's Office and others to plan an event on Monday in Santa Fe, New Mexico to call on Congress to reauthorize the Violence Against Women Act – currently scheduled to expire on Saturday, September 30. This event will demonstrate your commitment to protecting women from domestic violence. As a news peg, you will announce new federal grants totaling \$1.7 million for state and local efforts in New Mexico to combat violence against women.

Departure Statement

We are considering using a statement prior to your departure on Tuesday for the Georgetown Law Center event to announce new numbers from the Census Bureau on national poverty and income rates, which are expected to demonstrate increasing levels of prosperity across the nation. Through this announcement, you will convey the need for Congress to maintain our prosperity by passing a budget that continues to pay down the debt, strengthens Social Security and Medicare, and invests in our national priorities.

Departure Statement

We are holding time for a departure statement on Wednesday, prior to your trip to Texas, possibly on the new FY2001 projected surplus numbers. Again, this will give you an opportunity to convey that the Clinton/Gore economic strategy is working, and urge Congress to pass a budget that pays down the debt, strengthens Social Security and Medicare, and invests in key priorities for the nation.

China/ PNTR Bill Signing

In an event on Thursday at the White House, you will sign historic legislation granting China Permanent Normal Trade Relations. Joined by Members of Congress, foreign policy experts, religious leaders, Asian Americans, business representatives and others, you will convey the extraordinary significance that granting Permanent Normal Trade Relations to China will have on the future of our nation and around the world.

Budget Event

We are currently holding a message event slot open for Friday to play into Hill activities on the budget. Given the current debate on education funding, we are considering an education event, using as a news peg a Department of Education report highlighting the success of after-school programs through the country and calling attention to the high number of quality applications that go unfunded because of a lack of money. We could use this opportunity to call on Congress to fund your FY2001 education budget, that would increase investment in our nation's schools and our children's future, including expanding after-school opportunities for 2.5 million children as well as your other education priorities.

THE WHITE HOUSE
WASHINGTON 9-26-00

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September 22, 2000

MEMORANDUM FOR THE PRESIDENT

FROM: CHUCK BRAIN CMB
SUBJECT: LEGISLATIVE WEEKLY REPORT

Conference Activity

Legislative Branch/Treasury Postal Appropriations: Catching the Republican Leaders off guard, the Senate rejected on Wednesday (69-28) the Conference Report to accompany FY01 Legislative Branch Appropriations bill, the FY01 Treasury-Postal Appropriations bill, and the Telephone Tax Repeal bill. All Democrats opposed the bill because they were denied an opportunity to offer amendments to the Treasury-Postal bill and because it under-funded the IRS and counter-terrorism. Twenty-six Republicans opposed it, primarily because it provided for a cost of living increase for Member of Congress.

House of Representatives

Floor Activity: On Monday and Tuesday, the House considered several measures under suspension of the rules, including H.R. 5173, the Debt Relief Lockbox Reconciliation Act for FY 2001 (passed, 381-3). Also on the suspension calendar, the House passed (401-20) H.R. 5203, the Debt Relief and Retirement Security Reconciliation Act, combining the GOP's debt reduction plan with the Portman/Cardin retirement security legislation.

The House also considered some non-controversial measures subject to a rule. It passed, 422-0, H.R. 4945, the Small Business Competition Preservation Act, legislation requiring the Small Business Administration to gather and report to Congress data on small businesses that have lost federal contracts due to contract "bundling". It also passed the following: H.R. 3986, the Prosser Diversion Dam Study Act, 418-1; the Conference Report to H.R. 4919, the Defense and Security Assistance Act, 396-17, (authorizing the transfer of obsolete U.S. ships and defense equipment to friendly countries); H.R. 940, the Lackawanna Valley National Heritage Act (voice); and, H.R. 5109, the Department of Veterans Affairs Health Care Personnel Act of 2000, 411-0, (expanding a pilot program that lets veterans get medical care at non-VA hospitals and giving VA nurses and dentists a pay raise.)

Labor-HHS Appropriations: On Tuesday, the House passed (250-170) a Coburn (R-OK) motion to instruct the conferees on H.R. 4577, the FY 2001 Labor-HHS-Education Appropriations Act, to adopt Senate language prohibiting the distribution of emergency contraception on the premises or in the facilities of any elementary or secondary school.

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to the President
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9-26-00

On Wednesday, the House passed by voice an Obey (D-MI) motion to instruct, requiring that the conferees insist on the highest funding level possible for the Department of Education, and by 222-201 a second Obey motion requiring the conferees to restore your \$3 billion request for funding to reduce class size and provide for school construction.

Week Ahead

The House will reconvene for legislative business on Monday, September 25th with votes after 6:00 pm. It will consider several measures under suspension of the rules, including H.R. 5175, legislation providing relief to small businesses from liability under the Superfund statute. While we support the goals of the bill, we have concerns with it in its current form. In addition to the suspension measures, the House is expected to consider the following:

Continuing Resolution: At some point next week, the House will consider a Continuing Appropriations Resolution which will keep unfunded government programs running most likely until October 6th or 7th.

Interior Appropriations: The House may consider the Conference Report to H.R. 4578, the FY 2001 Department of Interior Appropriations Act, which is still being completed. Important outstanding issues include mineworkers' health payments and funding of Lands Legacy.

Energy and Water Appropriations: The House may consider the Conference Report to H.R. 4733, the FY 2001 Energy and Water Appropriations Act. The report currently contains an objectionable provision which would force the Corps of Engineers to take actions on the Missouri River which would undermine the Endangered Species Act.

Transportation Appropriations: The House may consider the Conference Report to H.R. 4475, the FY 2001 Transportation Appropriations Act, if the sticking points of the .08 blood alcohol content standard and regulations limiting truckers' overtime can be resolved.

Sexual Trafficking: The House is scheduled to consider the Conference Report to H.R. 3244, the Sexual Trafficking Victims Protection Act. Several issues remain unresolved, however, and floor action is considered unlikely. Your Administration supports the goal of the trafficking legislation, but opposes mandatory sanctions against countries not meeting minimum standards, and has urged inclusion of effective prosecutorial tools and stronger protection and assistance for victims.

Defense Authorization: The House is scheduled to consider the Conference Report to H.R. 4205, the FY 2001 Defense Authorization Act, assuming the conference is completed. Several issues remain unresolved, however, and the Democratic Leadership doubts the bill will come to the floor. The pending issues include Vieques, burden sharing, Department of Energy workers compensation, and military health provisions. If the Senate hate crimes language is not part of the final bill, there will be pressure to veto it, notwithstanding the other provisions in the bill.

United States Senate

China PNTR: On Tuesday, the Senate passed (83-15) H.R. 4444, the China PNTR Act. Senators Bunning (R-KY), Byrd (D-WV), Campbell (R-CO), Feingold (D-WI), Helms (R-NC), Hollings (D-SC), Hutchinson (R-AK), Inhofe (R-OK), Jeffords (R-VT), Mikulski (D-MD), Reid

(D-NV), Sarbanes (D-MD), Smith (R-NH), Specter (R-PA), and Wellstone (D-MN) voted against the bill. A signing ceremony will take place on Thursday, Oct 28th.

H-1B Visas: Following Tuesday's vote on China PNTR, the Senate invoked (97-1) cloture on the motion to proceed to S. 2045, H1B Visa legislation. Senator Hollings (D-SC) voted against the motion. On Friday, the Senate adopted (by voice vote) the motion to proceed to the bill and Majority Leader Lott "filled the tree" by offering a number of amendments to block all other amendments and then filed cloture on a Hatch (R-UT) amendment which is another version of H-1B. The cloture motion will ripen on Tuesday and the Senate will vote on the cloture motion.

Water Resources: On Thursday, the Senate began consideration of S. 2796, the Water Resources Development Act, which includes the Administration's Florida Everglades legislation. While under consideration, the Senate rejected (71-24) a Warner (R-VA)/Voinovich (R-OH) amendment which would have stricken a provision requiring the federal government to pay half the costs of the Florida Everglades restoration plan.

Week Ahead

The Senate will next convene at 12:00 pm on Monday.

Water Resources: At 4:50 pm on Monday, the Senate will vote on S. 2796, the Water Resources Development Act.

National Energy Security: At 2:00 pm on Monday, the Senate will begin debate on the motion to proceed to S. 2557, the National Energy Security Act of 2000. This is a Republican message bill intended to highlight the Republican's assertion that the Democrats do not have an energy policy.

cc: The Vice President
John Podesta
Steve Ricchetti
Joel Johnson
Maria Echaveste
Karen Tramontano
Loretta Ucelli

9-26-00

THE WHITE HOUSE
WASHINGTON

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SEPTEMBER 22, 2000

MEMORANDUM FOR THE PRESIDENT AND THE VICE PRESIDENT

FROM: MARY BETH CAHILL
DIRECTOR, OFFICE OF PUBLIC LIAISON

SUBJECT: WEEKLY REPORT (September 16 to September 22)

I. ACTIONS SUPPORTING PRESIDENTIAL INITIATIVES:*CHINA PNTR*

Business Community Applauds Passage of PNTR by the Senate. The Business Community released a number of press releases applauding Congress and the Administration on the passage of Permanent Normal Trade Relations for China. The Corporate Committee for U.S.-China Trade is planning a reception next week on the Hill to thank members of Congress and the Administration for their efforts. Many business and agriculture representatives are looking forward to participating in the PNTR bill signing ceremony next week.

HIPC

Continued Advocacy for HIPC. In an effort to reach more Republican members, the Jubilee 2000 Coalition held a press conference Thursday with Sen. Hatch and Reps. Kasich, Bachus, and Leach. Secretary Summers, Gene Sperling, and U2's Bono also gave statements. Upon hearing about the press conference, a number of Democratic legislators also attended and spoke.

DIGITAL DIVIDE

Flint Visit a Resounding Success. The Community of Flint is deeply grateful for the attention you brought to their efforts to provide digital inclusion for people with disabilities. Your remarks were powerful, particularly your insightful and philosophical conclusion, with many people commenting that this speech stood with your best. The announcements about corporate and university commitments to carry this agenda forward, the creation of a commission focusing on affordability, and a powerful set of federal investments will dramatically improve the accessibility and usability of information and communications technologies.

Should be added to the report for the week

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PRESCRIPTION DRUGS

Advocacy Groups Pleased with NEC/DPC Report on Prescription Drugs. The report on why Sen. Roth's low-income prescription drug proposal does not work for most Americans provides valuable ammunition for the public debate over prescription drugs. Groups plan to use this information to make the case for providing a universal, voluntary and affordable benefit under Medicare, rather than a private insurance-based benefit targeted only to low-income beneficiaries.

II. CONSTITUENT OUTREACH AND OTHER ISSUES:

ASIAN PACIFIC AMERICAN OUTREACH

Advisory Commission on Asian American and Pacific Islanders Holds Town Hall Meeting in New York. With close to 500 people in attendance and a dozen downlink sites in cities throughout the Eastern region, the 15-member Commission heard testimony from 75 to 100 individuals on issues of concern to the Asian Pacific American community. Some raised very strong concerns about the Wen Ho Lee case, but 95% of the testimony covered issues such as education, health care, language barriers, immigration, and hates crimes. The Commission did issue a statement expressing concern regarding the handling of the Lee case and stated that general civil rights and racial profiling are issues they will be including in a report to you due by the end of the year.

BUSINESS OUTREACH

Briefing with Business and Labor Representatives on Hollings Legislation. OPL hosted a meeting for various business community and labor representatives regarding Foreign Telecom Investment. This measure is currently before Congress and will particularly affect mergers such as the proposed one between Deutsche Telecom and VoiceStream. Chuck Brain, Gene Sperling and Karen Tramontano briefed the group on the Administration's opposition to this legislation.

DISABILITY OUTREACH

Disability Community Angered by Nursing Home Proposal. Your Saturday Radio Address announcement to seek \$1 billion for staffing of nursing homes met with a rapid and impassioned flurry of email and phone communications. For years, advocates have been calling for more resources and support for home and community-based services. Although the Administration has made modest gains in this area, including a \$50 million commitment announced by Vice President Gore on July 25, advocates view the \$1 billion investment as a disproportionate focus on the nursing home industry that will draw resources away from community-based long-term care providers. Although advocates do not propose neglecting nursing homes, they view evidence of bed sores and malnutrition as reasons to help provide the services and supports people need to live more comfortably in the communities of their choosing.

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ETHNIC OUTREACH

What is the difference?
I think we should resolve
a variety of these cases together

9-26-00

Twenty Irish American Leaders Meet with Leon Fuerth on Range of Issues. Contrasts between the two Party Platforms regarding Deportees was the group's major concern. Although unable to give them specifics about our course of action on this issue, Fuerth did reassure the group that the Vice President was fully supportive of the progress that has been made and would continue working toward implementation of the Good Friday Accord and the Patten Report. The group was very pleased with this news and encouraged the Vice President to speak publicly about his stance on Northern Ireland.

HEALTH OUTREACH

Military Retirees, Federal Employees and Advocates for Long Term Care Pleased with Signing of the Long Term Security Act. Groups plan to use images and text from the event to amplify your message in newsletters, magazines and other publications. Your action on H.R. 4040 helps galvanize the long term care community's push for the \$3,000 tax credit, the Family Caregiver Initiative, and the Reauthorization of the Older American's Act.

JEWISH OUTREACH

Israel Policy Forum Delegation Meeting with Arafat and Mubarak. Fifteen board members and professional staff are traveling to the Middle East on Saturday evening to meet with Mubarak and Arafat. IPF delegation representatives met with Sandy Berger yesterday to discuss the strategy and purpose of their mission.

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LATINO OUTREACH

OPL Hosts Briefing for Hispanas Organized for Political Equality (HOPE) and National Hispanic Leadership Institute (NHLI). On Tuesday, in conjunction with Hispanic Heritage Month, OPL hosted a briefing for 130 Latina leaders from across the country. Briefing subjects included Health Care, Education, Administration Priorities, South West Border Initiative, and Women's Initiatives.

THE WHITE HOUSE
WASHINGTON

Copied
Johnson
Podesta
Cohen for
Reply

SEPTEMBER 22, 2000

MEMORANDUM FOR THE PRESIDENT AND VICE PRESIDENT

FROM: BEN JOHNSON

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

ACTIVITIES

COGIC Conference of Bishops: The Church of God in Christ visit was extremely successful. It was widely reported in media around the country and received good coverage on black radio and in black publications. Regarding Bishop Owens' request, I shared it with the First Lady's office and they agreed pass it along to her scheduling staff. On another note, Carol Willis, Alvin Brown and I are putting together the list of key clergy leaders to meet with you. A scheduling request has been submitted.

Historically Black Colleges Week Activities: Celebrating HBCU week, all of your African American Assistants participated in a HBCU roundtable discussion regarding the White House and the African American community. We each gave an overview of our jobs and discussed issues of concern to educators. The session was attended by HBCU presidents and was quite informative to everyone, including us. Minyon suggests we take the show on the road.

Anti-Racism Rally: I addressed the National League of Cities "Undoing Racism Rally" in Freedom Plaza. NLC President Bob Knight and others spoke about NLC's campaign to promote racial justice. NLC has called on municipal leaders across the country to develop local anti-racism programs. To date, over 200 cities and towns have agreed to participate in this effort. I was also interviewed on NUE TV, a national T V network owned by Quincy Jones.

CONSTITUENT OUTREACH

ADL/Close the Book on Hate: We attended an event for the release of the book *Hate Hurts: How Children Learn and Unlearn Prejudice* written by the Anti-Defamation League. This book offers practical suggestions to adults on helping children deal with race issues. ADL and Barnes & Noble are co-sponsoring the Close the Book on Hate Campaign, which will include in-store educational events, and special recommended reading displays. In addition, Barnes & Noble will distribute 2 million copies of the

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pamphlet "101 Ways to Combat Prejudice" to its customers free of charge. The pamphlet is attached to this report.

Institute for Faith and Politics: We participated in a race discussion sponsored by the Institute for Faith & Politics and hosted by the South African Ambassador Sheila Sisulu at her residence. We talked about the recent *New York Times* series on race and your Initiative on Race. Ambassador Sisulu was impressed with your initiatives and hoped that the United States would someday conduct something like South Africa's Truth and Reconciliation Commission. She realizes that a commission would have a more difficult task in this country because slavery and government-sanctioned segregation happened so long ago when compared to the recent dissolution of South Africa's apartheid government.

CABINET RACE INITIATIVE WEEKLY

Department of Agriculture

Native American Community Infrastructure Loan: On September 28, USDA will present a \$400,000 Community Facility Loan for infrastructure development to the Colorado River Indian Tribe/Town of Parker Champion Community in AZ.

Department of Commerce

Minority Serving Institutions (MSI) Conference: DOC's second annual MSI conference will take place on September 21-22. To date, 170 individuals have registered. This year's program will include information about employment opportunities, internships, financial assistance programs, and other opportunities to participate in DOC activities.

Minority Business Development Agency: On September 12, 25 Buyers/Procurement Officers from both public and private firms attended DOC's Minority Business Development Agency's 2000 MED Week Buyer's Tour in Atlanta, GA. The purpose of the Buyer's Tour is to showcase the products, services, and capabilities of various minority/female business enterprises to potential purchasing entities.

Department of Health and Human Services

Tribal Consultation Conference: On October 9-12, HHS's Indian Health Service (IHS) and DOI's Bureau of Indian Affairs (BIA) will sponsor the 2000 Tribal Self-Governance Fall Conference in Nashville, TN. The conference will focus on refinement of a National Tribal Self-Governance Strategic Plan for the new Administration and Congress. The plan will include the identification of self-governance priorities and proposed objectives and action items. Approximately 1,000 tribal leaders, self-governance coordinators, and IHS and BIA officials are expected to attend.

OCSE Tribal Consultation: On October 3-5 in Minneapolis, MN, and October 24-26 in Anchorage, AK, HHS's Office of Child Support Enforcement (OCSE) will be sponsoring four consultations concerning an interim final rule that will implement direct child support enforcement program funding to Federally recognized Indian tribes and tribal organizations. OCSE has extended the standard 60-day comment period to 120 days.

Department of the Interior

Emergency Assistance to Western AK Natives: BIA has requested emergency assistance to serve additional AK natives who have been impacted by the Declared Fish Disaster in Western AK. Previously, BIA approved and provided emergency funding for assistance to meet the basic essential needs of eligible AK natives. DIA has made this request due to the severe financial impact and because other forms of relief are still in the pipeline and have not reached the AK natives to date.

OSM Grant to Northern Cheyenne: On September 19, DOI's Office of Surface Mining will award the Northern Cheyenne tribe with a \$26,000 grant to help regulate the effects of surface-coal mining on tribal lands in MT. The grant assists in paying half of the Northern Cheyenne's inspection and enforcement costs, including equipment, supplies, and transportation.

Department of Justice

LAPD Conduct: On September 19, the Los Angeles City Council voted in favor of entering a Federal consent decree with DOJ to address the Department's claim that the Los Angeles Police Department engages in a pattern or practice of unconstitutional conduct. DOJ had long sought an enforceable agreement by Los Angeles that it would implement reforms to prevent police corruption and protect civil rights. DOJ is continuing to meet with Los Angeles officials to reach final agreement on the terms of the consent decree.

Department of Transportation

Congressional Black Caucus: On September 15, Secretary Slater was the featured speaker at the CBC Transportation Braintrust. He and other speakers, including DOT's Civil Rights Director Stroman and former Federal Transit Administrator Linton, joined the CBC and guests from around the country in discussing this year's theme, "A New Vision for Transportation: Developing Black Enterprise." Later, Secretary Slater spoke to the CBC Issues Forum on "Welfare Reform: Is It Working?" and joined senior DOT officials in hosting a reception at DOT for over 300 guests of the CBC and Congressional Hispanic Caucus, including several Members of Congress and key staffers. His remarks focused on the changing view of transportation as more than just concrete, asphalt and steel.

Environmental Protection Agency

Eastern Band of Cherokee Indians Grant: Cherokee Indians will receive a \$174,563 grant to assist states, Indian tribes, and local governments in developing new or enhancing existing wetlands protection programs.

Native Ecology Initiative: The Native Ecology Initiative will receive a grant to provide training and assistance to Indian tribes to develop ground water management plans that recognize and incorporate tribal cultural perspectives on environmental and land stewardship.

Hispanic Heritage Month: EPA will sponsor a variety of activities for Hispanic Heritage Month, including its main ceremony on September 21 featuring a keynote address by Dr. Daniel Altschuler, Director of Puerto Rico's Arecibo Radio Observatory, who will focus on the contribution of Hispanics to the sciences. There will also be a week-long, EPA-sponsored visit from a delegation of students and educators from Brownsville, TX, who have participated in the EPA-funded pilot program called the Young Farmworkers Academy (YFA). On September 22, there will be a half-day Youth Festival for students from select area schools in Freedom Plaza featuring cultural music, dance, artwork, and a special movie screening and lecture on the Galapagos Islands. The agency will host its Second National Hispanic Stakeholder Consultation on October 19-20 in Orlando, FL, with representatives from a variety of Hispanic organizations. Over the course of the month over 1,000 copies of EPA's newly published National Hispanic Outreach Strategy will be distributed to Hispanic-interest organizations.

Office of Personnel Management

Hispanic Heritage Month: On September 21, the employees of OPM celebrated Hispanic Heritage Month at an event centered on this year's theme "Children: Our Hope for the Future." Sonia Manzano, who plays "Maria" on the popular children's program "Sesame Street," appeared and spoke to the employees and their children. Two Sesame Street costumed characters that entertained the children accompanied Manzano.

Small Business Administration

Strategic Partners Meeting: On September 21, Administrator Alvarez will convene a meeting with approximately 60 SBA partner organizations that represent women, African Americans, Asian Pacific Americans, Hispanics, Native Americans, individuals with disabilities, veterans, gays/lesbians and other small business communities. The purpose of the meeting is to develop strategies to maximize outreach to the various communities.

Online Women's Business Center in Chinese and Japanese: On September 18, at the Eastern Regional Town Hall Meeting conducted by the President's Commission on Asian Americans and Pacific Islanders at New York University Law School, Administrator Alvarez announced the availability of the Online Women's Business Center in Chinese and Japanese. The Online Women's Business Center is a free interactive website offering tools to women who want to start or grow a business. The Administrator also announced partnership agreements with five national Asian Pacific American organizations, to increase access by Asian Pacific American-owned businesses to SBA's programs.

Social Security Administration

Scam Targeting Elderly African Americans: Media reports indicate that hoax letters have been mailed to elderly African Americans throughout the Midwest and the South over the last three weeks, telling them that they may be eligible for \$5,000 in slave reparations or Social Security reimbursements. The letters, which include requests for a Social Security number, are reportedly part of a scam aimed at stealing people's identities and running up bills under their names. SSA is currently investigating.

Tribal Leaders Meeting: On September 26, Beatrice Disman, SSA's New York Regional Commissioner, will meet with tribal leaders from the Oneida, Onondaga, Tonawanda, Seneca, Tuscorora, Cayuga, and Mohawk Indian Nations in Buffalo, NY. The meeting will focus on service delivery, technology, employment, and training to Native American communities.

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at the job fair!

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Still their focus
18th Annual for Telemedicine

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SUBJECT: WEEKLY REPORT

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- Last Thursday, the National Indian Business Association held their annual dinner. An increased number of major corporations were there, a good sign that they are starting to do more business in Indian country. At the dinner, Senator Inouye and I were honored for work on behalf of Indian country. It was very moving and very special. Of course, I made the point that I could not do anything helpful to Indian country if I didn't work for a President who had an unprecedented commitment to make things better.

Joe!

- Yesterday I met with representatives of IBM, Computer Generated Solutions, Inc (a large national company) and representatives of the Lakota Technologies group, along with staff from Senator Daschle's office. This is an exciting new partnership to create information technology jobs. Computer Generated Solutions has trained eight young people from Wind River Cheyenne and they, in turn, will train others on the reservation. EPA has awarded a contract to the group for information gathering and cataloging. They want to pursue more government work. The owner of Computer Generated Solutions, Phil Friedman, is a Survivor, and when he learned about the difficulties on the reservations, he decided he wanted to help. He was very happy with the abilities of the young people they trained, and feels that the potential is great.

- There was a large meeting of Alaska Native Corporations and tribes in Washington this week. Several Administration officials spoke to them, including Maria Echaveste.

9.26.00

MEMORANDUM FOR THE PRESIDENT
PAGE TWO

INTERTRIBAL COUNCIL ON UTILITY POLICY

- I met with Indian officials from South Dakota who have been working for a few years on developing alternative energy opportunities for the tribes of the Plains. All of the tribes of the Dakotas are part of the cooperative. They have exciting plans in place to develop wind energy installations. They also met with Secretary Richardson, who was very supportive and assigned staff to work with them.

BUDGET

- We continue to have to struggle to achieve the goals in your Indian Country Initiative. We've been working very closely with our friends on the Hill on your budget requests, as well as several other Indian projects; including the Fort Peck Tribal water project, the Washoe land deal, and others.

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9-26-00
Mr. CLINTON

Benjamin
Eugenic
Bisulco
Thank you for all
your hospitality and please
Thank Roger as well.

I'm not much of a talker
so I'll make it quick.

You're a fine man and
a wonderful leader. I wish you
could meet my father. He told
me to tell you that when
times get tough.

Don't get you're doober down
Truthfully

Benjamin Carlyle Bloodworth,

9-26-00
To Eugenic
Bisulco for
Reply