

THE WHITE HOUSE
WASHINGTON

DATE: 2/22/94

TO: Rich Rosenzweig, DDE

FROM: JOHN D. PODESTA
Assistant to the President and
Staff Secretary

Does this guy work
for you?

community may need more than anything today is a little glasnost of its own." (p. 127).

Intelligence Budget Follies

Congress is still struggling to decide whether or not publicly acknowledging the intelligence budget total of \$28 billion (or so) would threaten the future of the United States as a sovereign, independent entity. If the experience of the last twenty years is any guide, Congress will again determine that there is no such threat and will then proceed to-- do nothing.

Stymied by Congressional inaction, citizens who presume to have an interest in intelligence spending are driven perforce to alternate sources of information. For example, detailed budget estimates for the National Security Agency and the Defense Intelligence Agency, prepared by John Pike, are presented in an FAS Secrecy Project statement on budget disclosure, submitted for an upcoming Senate Intelligence Committee hearing. A copy is available on request.

File an FOIA Request and Meet the FBI

Most Freedom of Information Act (FOIA) horror stories involve arbitrary classification, erratic declassification, and, of course, delays of Soviet proportions. But it is hard to match the experience of Chuck Hansen, who won a free FBI investigation because of his research efforts.

Mr. Hansen, an independent historian, prolific FOIA requester, and author of *U.S. Nuclear Weapons: The Secret History* (Aerofax, Inc., 1988), last year requested declassification review under the FOIA of two old nuclear weapons histories from the Defense Nuclear Agency (DNA).

In order to save time and reduce processing costs, Mr. Hansen specified exactly which pages of the documents he wanted to be reviewed. Like any footnote fetishist, he was merely pursuing references that he had found in a previously declassified document. But DNA, alarmed by Hansen's specific identification of page numbers, somehow assumed that he already had unauthorized access to the classified documents and promptly alerted the FBI.

Last summer, the FBI swung into action, questioning Hansen and his attorney about how he knew which page numbers he wanted.

Hansen dashed off an angry letter to DNA calling their behavior "reprehensible and extremely offensive" and asked for an apology. Colonel Robert P. Summers of DNA wrote back to inform him that "If any apology is in order, it would be from you...."

Eventually, everyone apologized to everyone else. Hansen told *S&GB* that DNA officials have resumed "their previous open and professional demeanor" and they "are still slowly processing my many outstanding requests."

A bewildered FBI agent explained that as a rule "the FBI does not investigate citizens just because they file requests under the Freedom of Information Act." (*San Jose Mercury News*, 8/15/93, p.1BF).

Non-Lethal Weirdness

The emerging field of so-called "non-lethal weapons" (*S&GB* 28) has gained new visibility with a feature story in *Newsweek* (2/7/94, pp.24-26) and a cover story in *New Scientist* (12/11/93). *Aviation Week & Space Technology* (1/24/94) even awarded its annual "laurels" to Dr. John B. Alexander, director of non-lethal weapons programs at Los Alamos National Laboratory, for his leadership role in advancing research in this area.

What *Aviation Week* didn't report is that John Alexander brings a distinctly unusual background to his work on non-lethal weapons and that he has a pronounced interest in topics and technologies that, uh, transcend conventional understanding.

In 1980, Alexander wrote that "there are weapons systems that operate on the power of the mind and whose lethal capacity has already been demonstrated." ("The New Mental Battlefield," *Military Review*, December 1980, pp. 47-54). In that article, Alexander addressed out-of-body-experiences, psychokinesis, and telepathic behavior modification. "There is sufficient concern about psychic intrusion to cause work to begin on countermeasures such as bioenergy detectors," he advised. He noted that "The information presented here will be considered by some to be ridiculous since it does not conform to their view of reality, but some people still believe the world is flat."

In *The Warrior's Edge* (Avon Books, NY, 1990), a human potentials handbook for would-be corporate samurai that he co-authored, Alexander described himself as having "evolved from hard-core mercenary to thanatologist, obtaining his doctorate under the direction of Dr. Elisabeth Kubler-Ross.... As a Special Forces A-Team commander in Thailand and Vietnam, he led hundreds of mercenaries [?] into battle. At the same time, he studied meditation in Buddhist monasteries...."

According to the *Albuquerque Journal* (3/10/93, p.1) Alexander organized a national conference in Santa Fe last year "devoted to researching reports of ritual abuse, near-death experiences, human contacts with extraterrestrial aliens and other so-called 'anomalous experiences'." "Something's happening that's impacting on the psyche of America," Alexander told the *Journal*. "That's for sure."

Rounding out the picture, an Australian "new age" publication called *Nexus* reported that "In 1971, while a Captain in the infantry at Schofield Barracks, Honolulu, [Alexander] was diving in the Bimini Islands looking for the lost continent of Atlantis. He was an official representative for the Silva mind control organization and a lecturer on precataclysmic civilizations.... [Alexander also helped] perform ESP experiments with dolphins." (October-November 1993, pp.12-15).

Alexander took some umbrage when *New Scientist* mentioned his preoccupation with paranormal phenomena. In a letter to the editor, he wrote that "As for my 'unorthodox views,' I believe Jim Marrs, in a forthcoming book, will produce the necessary evidence to prove they were not so far out." Jim Marrs, it might be noted, is author of the feverish JFK assassination conspiracy book *Crossfire*.

So what? If Alexander wants to practice astral projection in his spare time, there is not a single thing wrong with that. If anything, it reveals a refreshing freedom of imagination.

On the other hand, it also reinforces the urgent need for oversight of the still highly secretive non-lethal weapons program. If only for quality control.

But since many non-lethal programs are conducted on a "black," special access basis, Congressional oversight is effectively nullified. One consequence is that resources are wasted and duplication of effort is rampant. According to David Boyd of the National Institute of Justice, some non-lethal weapons technologies are being developed in as many as six independent offices, each with no knowledge of the work going on in the others. "We've been startled at the number of times we've run into this," Boyd said. (*Aerospace Daily*, 11/19/93, p.299).

Still Waiting

At press time, neither the report of the Joint Security Commission nor the latest draft executive order on classification had been released yet.

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94 FEB 18 P4:30
SECRECY & GOVERNMENT BULLETIN

To Challenge Excessive Government Secrecy and
To Promote Public Oversight and Free Exchange
In Science, Technology, Defense, and Intelligence

Issue No. 32
February/March 1994
ISSN 1061-0340

Glickman to Introduce Bill on Classification

Rep. Dan Glickman, chairman of the House Intelligence Committee, has announced that he will introduce legislation to overhaul the classification of national security information. Glickman outlined his proposal in a speech before the American Bar Association's Committee on Law and National Security on January 27. (*Los Angeles Times*, 1/28/94; *New York Times*, 1/31/94, p.A16).

The elements of the Glickman proposal include:

- A balancing test to weigh the public interest in disclosure against the potential harm to national security, with a presumption in favor of disclosure.
- The establishment of two classification levels, for information that would cause "serious" or "exceptionally grave" damage.
- Specification of exactly who is authorized to classify.
- Maximum classification lifetimes in most cases of six and ten years for the two proposed classification levels.
- Establishment of a procedure for review of classification decisions and the extension of classification if warranted.

Rep. Glickman's proposal is framed as an amendment to the National Security Act of 1947. It would give a statutory foundation to the classification system, which is now based on executive order.

"I have personally examined countless documents marked Secret and Top Secret that have no bearing whatsoever on our country's national security interests," Glickman stated. "Hundreds of thousands, if not millions, of documents remain classified to this day-- some over five decades old-- simply because there are no procedures in place to declassify them."

"It is time we reduce this nonsense, not only because it is a wasteful spending of government resources, but also from the standpoint of openness in government."

"The bill I will be introducing will subject the issue of classification to the public debate, which because of the Cold War and associated concerns, it never had," Glickman said.

Actually, of course, the classification system has been publicly debated almost non-stop. There are literally tens of thousands of pages of Congressional hearing records on the subject dating back to the 1950s. The most recent Congressional hearing devoted exclusively to classification was "Government Secrecy After the Cold War," a hearing before the House Subcommittee on Legislation and National Security on March 18, 1992.

By now, almost everything has been said, and almost everyone has said it. What has been lacking is the Congressional resolve to take practical measures to address the decadence of the classification system.

Given the record of Congressional passivity, it is

hard to be sanguine about the chances for successful legislative action in this area. Nevertheless, Rep. Glickman's proposal represents a hopeful sign.

CIA: Secrets Become More Sensitive with Age?

Tertullian, a church father given to paradoxical utterances, said of a particular church doctrine: "It must be true, because it's impossible!" (*certum est quia impossibile est*).

This could serve as the preamble to the CIA's classification policy, which likewise defies ordinary comprehension.

In most other government agencies, it is accepted that the sensitivity of classified information decreases with time. This is the basis for all declassification activity, limited as it is. But lately, the CIA has challenged this fundamental notion of decreasing sensitivity over time and has even suggested that the opposite might be true.

In the course of a pending lawsuit alleging that CIA administered LSD and electroshock treatments to an unsuspecting subject in Paris in 1952, government attorneys attempted to restrict the plaintiff's access to old CIA documents, advising the court as follows:

"Plaintiff will undoubtedly argue that given the fact that the documents relate to activities which took place forty years ago, any risk of serious harm to the national security is diminished by the passage of time. This argument is meritless [!]."

"The passage of time often makes it more difficult for U.S. government personnel to know with certainty what the effect of a particular disclosure will be upon a foreign government or populace.... Under these circumstances, where all the facts and innuendoes are no longer known by the government, caution is imperative and sensitive information should not lightly be revealed."

"Due to the passage of time, ...it is impossible to predict the potential harm which exposure... could engender," the government argued, and the information must therefore be withheld. (*Kronisch v. U.S.A.*, Sidney Gottlieb and Richard Helms, Defendants' Memorandum of Law, 11/24/93, pp. 12, 23).

In contrast, mainstream thinking holds that, at least in theory, "There should be a definite, identifiable reason or rationale for classifying information or materials. If a reason is definite, then it should be expressible. If a reason cannot be expressed or can only be given in vague terms, then the information or material probably should not be classified." (Arvin S. Quist, *Security Classification of Information*, vol. 2, p. 15).

In the January/February 1994 issue of *Foreign Affairs*-- the gray arbiter of conventional wisdom-- Rep. Dave McCurdy observes that "Much of U.S. Cold War policy was aimed at promoting reform in the former Soviet Union, but ironically, what the U.S. intelligence

2/11/94



THE PRESIDENT HAS SEEN

2/11/94

CHIEF OF STAFF TO THE PRESIDENT

Mr. President:

John Dingell, our mutual friend,
is a B.S. impediment in achieving
a successful resolution of the SSC
matter. We need his support or @ least
not strong oppos. You & I need to discuss.
cc: VPRES for Med

THE WHITE HOUSE
WASHINGTON

① SSC 7-12

February 9, 1994

MEMORANDUM FOR MACK MCLARTY

THE PRESIDENT HAS SEEN

FROM: JACK GIBBONS 
SUBJECT: Meeting with Sylvia DeLeon

MRC Greenwood, OSTP Associate Director for Science, and I met with Ms. DeLeon for an hour today to gain her perspective on the SSC/Texas situation. As you know full-well, the situation is complex. My initial main impressions and observations are as follows:

1. DOE's process of tangible asset evaluation seems to be focused on the "as-is" value. This should be thought of as a "floor" price. Other approaches to valuation should include value-as-completed for use to a "willing and interested buyer."
2. More importantly, it could be that the value of intangible assets of the project (know-how, intellectual property, manufacturing experience, "good will") match or exceed the value of tangible assets. That's where much of the \$2 billion has gone, in all likelihood. I raised this issue briefly in my conversation with Sylvia (specifically, whether she knew of any information that might be helpful in analyzing the issue).
3. It appears that Secretary O'Leary, within the past week, committed or implied to Governor Richards a federal response in about three weeks. This would place great time constraints on carefully exploring options such as intangible assets.
4. I am informed this afternoon that John Dingell pressed on the Department of Energy people this morning in support of low asset evaluation.
5. I will meet tomorrow with Under Secretary of Energy Charlie Curtiss to discuss these matters and will keep you posted. By early next week I hope we can talk.

POTUS

cc: Bill Burton



Feb. 11/94

CHIEF OF STAFF TO THE PRESIDENT

THE PRESIDENT HAS SEEN

Mr. President:

2/11/94

Example of F/Out getting
much better on our recent discussions
more professional
more responsive
Better ~~more~~ political touch.

W. J.

MEMORANDUM

THE PRESIDENT HAS SEEN

TO: MACK MCLARTY
FROM: KEITH MASON *KM*
DATE: FEBRUARY 10, 1994
RE: GOVERNOR MEL CARNAHAN

2/11/94

Marcia informed me that you received an "urgent" call from Governor Carnahan's Washington Director, Jill Friedman while you were out of town earlier this week.

The circumstances surrounding this call are as follows: Jill had Governor Carnahan on the line at the time of the call and the Governor was frustrated with OMB staff's approach to the levee repair language that was to be written in the Emergency Supplemental bill in the Senate. The bill was about to go to committee mark-up. Since you were unavailable and time was of the essence, they did not ask you to return their call. Subsequently, the OMB staff worked out the levee repair language issue in a manner satisfactory to the Governor in time to be incorporated into the bill. The Governor also spoke with Leon Panetta after the issue was resolved.

In addition, the governor wanted to thank you for the Administration's help on the relocation assistance portion of the Supplemental bill.

cc: Marcia Hale

Keith -

*Thanks for prompt
d full report. Well-
handled as usual.*

*You & Marcia have
really made a positive
difference w Gov &*

*msgs. Mef
cc: Popes / ~~Ext~~ Marcia H*

THE PRESIDENT HAS SEEN 2/6

MEMORANDUM FOR ALEXIS HERMAN
NANCY HERNREICH
RICKI SEIDMAN
PATTI SOLIS
ANN STOCK
ISABELLE TAPIA
DAVID WATKINS
MAGGIE WILLIAMS

94 FEB 4 All

February 1, 1994

① D JWS
② H C S JWS
mod

FROM: CAROLYN J. LUKENSMAYER
RE: SUMMARY OF DECISIONS FROM EVENT COORDINATION MEETING

Attached is a summary of decisions reached at the January 27, 1994, meeting on White House event coordination. The goal is to have these decisions implemented within four weeks.

Thank you for your leadership and cooperation. If you have questions, please contact me on x6-6798.

cc: Mack McLarty ✓
Phil Lader
Joan Baggett
Paul Antony

PHOTOCOPY
WJC HANDWRITING

WHITE HOUSE EVENT COORDINATION

Summary of Decisions

January 27, 1994

1. The White House Office of Management and Administration will print a daily schedule of events at the White House Complex to ensure that the operating units (WAVES, operators, etc) are aware of what is happening, able to contact guests at events, and able to respond effectively to inquiries.

The schedule will include information from the following units: POTUS, VPOTUS, First Lady, Second Lady, COS, Press, Political, Public Liaison, Intergovernmental, and Social.

Each event should have a contact name and number beside it.

David Watkins will implement.

2. Institute a social meeting to be held every Tuesday.

The meeting will have two major purposes: Identify key residence and lawn events as early as possible for effective co-ordination of invitation lists and brainstorming about upcoming events.

Ann Stock and Ricki Seidman will implement.

3. Institute briefings for states on a more frequent basis this year -- probably one per month. We want to strategically use the residence for these briefings.

Ricki Seidman, Ann Stock, and Joan Baggett will implement.

4. Develop a system that ensures more effective feedback to Social from road events. Lead advance person will give information to Wendy for vetting.

Ann Stock will ensure information is integrated into invitation list.

5. Develop general checklist to ensure standard of excellence and clear responsibilities for execution of each White House event.

Carolyn Lukensmeyer and Paul Antony will implement.



STATE OF TEXAS
OFFICE OF THE GOVERNOR
AUSTIN, TEXAS 78711

THE PRESIDENT HAS SEEN
2/17

94 FEB 15 P7:43

ANN W. RICHARDS
GOVERNOR

February 9, 1994

The Honorable Hazel O'Leary
Secretary of Energy
1000 Independence Avenue, S.W.
Washington, D.C. 20585

Dear Madam Secretary:

I appreciate your call this morning about the SSC termination plan that the Department of Energy sent to the Hill yesterday. I was relieved to learn that this preliminary plan would be changed as necessary by agreements reached with the State of Texas.

As you know, the report that was sent to the Congress does not include any payment to Texas and does not contemplate any future activity at the site.

In your meeting with me last week, we agreed that a draft would be given to Texas' representatives and that our attorneys and staff would work with yours to structure the package of termination payments, payments to Texas, and future projects at the site.

Your staff and mine were to meet and work through these issues together. There is no possible way that a phone call from your office to our attorneys could resemble the detailed consultation that we discussed in our meeting last week.

You have assured me and other state officials that Texas would be repaid, and we have relied on your personal commitment. You have assured me and other state officials that there would be future projects at the site.

As you know, this situation could not be more serious for me and for my State; we will need your continuing best efforts in resolving these issues.

Sincerely,

ANN W. RICHARDS
Governor

To the President - FYI

March 1, 1994

By memo
to the President
B

THE PRESIDENT HAS SEEN 2/6

THE WHITE HOUSE
WASHINGTON

94 FEB 3 P5:37

① Pores

② Pores

② J. and / H. and
February 2, 1994

③ B. and

MEMORANDUM TO MACK McLARTY

FROM: BILL BURTON

SUBJECT: Craig Washington call

I returned Cong. Craig Washington's call to you; you still need to call him, at 225-3816. I told him it would likely be Thursday at least before you had a chance.

Craig has a tough primary race with Houston city councilwoman Sheila Jackson Lee. She is a formidable opponent, who I've been told supported the President early in 1992. Craig says she is a closet Republican whose race is being financed by Ken Lay (who Craig knows is a friend of yours, but who has on his board, as you know, Wendy Gramm, Jim Baker, Rob Mossbacher, etc.).

Craig wants some help from you. I told him of the basic policy to not get involved in Dem primaries, but he wants to remind you of his specific help he has given the President at great political cost in Houston. He would like the President in Houston to note the help Craig has been.

Please let me know if there is any more information with which I can provide you.

PHOTOCOPY
WJC HANDWRITING

My need to
discuss this
is a problem
for Washington
he has not yet
heard of it

2/6
McLarty
Burton
| copied

February 3, 1994

MEMORANDUM FOR THE CHIEF OF STAFF

FROM: Linda Moore, Political Affairs

RE: Craig Washington

Houston City Councilwoman Sheila Jackson Lee (D) caught a lot of people off guard last month when she announced that she will challenge Representative Craig Washington (D) in the Democratic primary. Both are African Americans running in a majority-minority district. Lee was an early supporter of the President and is a close friend of Lottie Shackelford.

Washington's base of support is among the poorer residents of the district while Lee's campaign has the backing of the Houston business community, which has never liked Washington and is angry at his votes against NAFTA and the Space Station. Organized labor is solidly in Washington's column and he has a lock on the sizeable gay population, the largest of the white constituencies in the district. (Washington is very vocal in his support of gay rights.) Lee, meanwhile, is appealing to more upscale African American professionals. Although Washington has some personal negatives -- he has filed for bankruptcy, has a terrible record for attendance at votes, got an ex-lover a government job and went through a messy divorce -- he is still expected to win by a solid margin.

Although Washington voted against the Administration on NAFTA, he is generally supportive of the President, including voting with him on the stimulus, the budget and Penny-Kasich.

On the upcoming trip to Houston, the stop-by for the American Cancer Society children's party, the DNC fundraiser, the meet and greet and the budget speech are all located in his district. Washington has been invited free of charge, along with the Houston-area's other three Congressmen, to the DNC reception and dinner. (The DNC secured sponsors for these members.) He is also invited to the meet and greet at the Wyndham Warwick, the speech and to the school event. A copy of the President's schedule is attached.

Washington may ask that the President make some special mention of him at some point on the trip. You may wish to point out that a Presidential trip to a member's Congressional district is a pretty substantial boon in itself. Not many members of Congress with contested primaries will get such a visit, probably next to none with primary opponents who were early supporters of the President.

**PHOTOCOPY
WJC HANDWRITING**

State of Louisiana
PARISH OF CADDO

2110
per Andrew Friendly -
This was given to the
President on his trip
to Louisiana this week

S (Paw)

CADDO PARISH COMMISSION



Parish of Caddo
In the Name and By the Authority of The
Caddo Parish Commission

Resolution of Appreciation

to

President William Jefferson Clinton

WHEREAS, the Caddo Parish Commission is deeply honored to have President Bill Clinton visit Shreveport, Louisiana on February 7, 1994 for the purpose of discussing first hand with our citizens such pressing issues as the nation's finances, a national health care program and trouble in war torn Bosnia, and

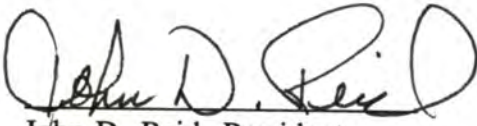
WHEREAS, President Clinton has selected the local General Motors Truck Assembly plant as a site for a special presentation to the workers regarding the administration's health care plan and at the same time receive one-on-one feedback from the affected audience regarding their reaction to the administration's proposal, and

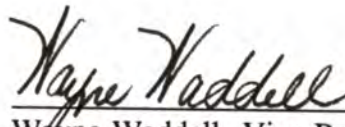
WHEREAS, the citizens of Caddo Parish, Louisiana would like to extend a warm welcome to President Clinton for selecting our community for a rare presidential visit.

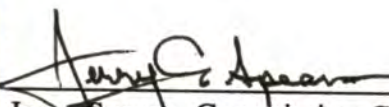
NOW THEREFORE BE IT RESOLVED, by the Caddo Parish Commission, meeting in legal and regular session convened this 7th day of February 1994, does hereby express sincere appreciation to President William Jefferson Clinton for selecting Shreveport, Louisiana for a presidential visit on February 7, 1994.

ATTEST:




John D. Reid, President


Wayne Waddell, Vice President


Jerry Spears, Commission Clerk

To: Mr President

THE PRESIDENT HAS SEEN

Remarks Prepared for Delivery:

The FY 1995 Budget: NASA Steps Up to the Challenge

DANIEL S. GOLDIN
Administrator
National Aeronautics and Space Administration

Press Conference
Washington, DC
February 7, 1994

The FY 1995 Budget: NASA Steps Up to the Challenge

REMARKS BY DANIEL S. GOLDIN
ADMINISTRATOR, NATIONAL AERONAUTICS AND SPACE
ADMINISTRATION

It is clear that the Administration recognized the national deficit problem and all of the other economic challenges facing America, and took a clear-eyed, tough-minded look at what our government can and cannot afford to invest in today. The federal budget released today demonstrates in no uncertain terms that times are tough. NASA has stepped up to the challenge. We are part of the solution; we are part of the Administration's commitment to a government that makes sense and is relevant to America.

Our Fiscal Year 1995 budget of \$14.3 billion in budget authority and \$14.46 billion in outlays conveys the President's commitment to a strong and vital aeronautics and civil space program. At the same time, it reflects today's very real fiscal constraints. Compared to our Fiscal Year 1994 appropriation of \$14.55 billion, this budget is \$250 million below that level -- almost \$650 below it in buying power.

We have a balanced space and aeronautics program for Fiscal Year 1995. It works; it makes sense; it supports meaningful science and technology that will make a difference in people's lives. The NASA science programs went up from \$3.3 billion -- 22.4% of our budget -- in FY 1994, to \$3.5 billion -- 24.3% of our budget -- in FY 1995.

We still have some unresolved issues in the out years -- specifically, in the areas of Space Science new starts; high-reliability, low-cost access to space; and wind tunnels.

We do have tools we can use to get more for less from our out-year budgets. One of our most powerful tools is the Small Satellite Technology program, which is a 1994 initiative. This program is exactly what we mean when we talk about doing things "better, faster, cheaper" at NASA. The development of new technology through this program such as advanced payload concepts, along with the fact that we'll be using industry commercial standards instead of government specs, will bring down mission costs dramatically. We're looking at costs on the order of \$100 - \$150 million instead of a half a billion dollars. Furthermore, this effort will be led by industry teams -- a revolution in the way we do business. Only two to four people in the management office are going to be NASA employees. This is the wave of the future.

We are also going to get more payoff out of our out-year budgets by targeting reductions in mission operations, using industry more effectively and increasing the science we do through enhanced international cooperation. For example, cooperation between the U.S. and Russian space programs offers dazzling possibilities. At this moment, there is a cosmonaut in orbit high above the Earth in the Space Shuttle. Melding the efforts of two great spacefaring nations holds out tremendous promise for both nations. These cooperative efforts include joint activities aboard Mir 1 that begin next year and our partnership in the international Space Station.

We stepped up to the challenges of the 1994 budget and had a healthy, balanced program, and we have been given another cut in 1995 and are dealing with that with the same solid result. We'll do the same for FY 1996. We have set up a series of interchanges with the CEOs of

NASA's contractors, and we'll be meeting with the science community, Congress, the public and other constituent groups. We're confident we will smooth out any rough spots in the out years.

Let me tell you what this budget really means for NASA. We have a balanced aeronautics and space program. We cut back on human space flight, we increased the science budget and we increased the technology budget.

The bottom line? We are a leaner, tougher NASA, and are more in touch with what America needs from the space program today.

We are maintaining our key initiatives in aeronautics and space. We didn't cancel any major programs. This budget still provides for:

- a safe and viable Space Shuttle flight program,
- the highest possible science return from the Hubble Space Telescope, including development of advanced instruments,
- the Earth Observing System,
- the Cassini mission to Saturn,
- the Advanced X-Ray Astronomical Facility (AXAF-I),
- and the international Space Station

The budget also provides for two vital programs to our nation's competitiveness in aeronautics, the High Speed Civil Transport and Advanced Subsonic Transport programs.

We are also continuing other smaller programs that are key to our future:

- the International Solar Terrestrial program,
- the Space Science Explorers,

- the Gravity Probe-B mission, now renamed the Relativity Mission,
- the Earth Probes,
- environmental observations and astronomy research aircraft,
- the X-31 aircraft and SR-71,
- the new Perseus remotely piloted vehicle,
- Space Shuttle payloads of technology experiments, science and Earth observations,
- and, balloons and sounding rockets.

In spite of the declining budgets, we have new programs in Fiscal Year 1994, including the planetary Discovery missions -- the Near Earth Asteroid Rendezvous and the Mars Environmental Survey/Pathfinder -- and a series of new technology satellites called the Small Satellite Technology program. This is the program I talked about earlier, which is going to yield tremendous savings in mission costs. In this FY 1995 budget submittal, we are also asking for permission to start a new, low-cost Mars Surveyor program. We intend to start even more programs in 1996.

A smaller budget in Fiscal Year 1995 also means real reductions in the employment base of civil servants, support contractors, scientists, engineers, production workers and others who conduct our programs. We have committed to reducing by 1999 the civil service staff levels by more than 3,000 from where we are right now. But we plan to do so through retirement and other non-coercive measures. A RIF would be devastating to NASA and should be avoided. It would demoralize the Agency and hurt our efforts to diversify. But, we can only take a humane, non-coercive approach here if we have the timely support of Congress for a buyout.

We are taking a hard look at all of our activities to make sure every dollar invested brings home maximum benefits

-- that taxpayers get the right bang for their buck. We have undertaken a far-reaching examination of the roles and missions of each of the NASA Centers, for example. When it is complete, it will give us a plan for ensuring that each NASA Center is a Center of excellence in its field of endeavor.

NASA has never run from a challenge, and today is no exception. Reducing the deficit, meeting urgent new national needs and discarding old habits are all important to America's future. The President's budget plan for NASA is a sound one, with reductions that still preserve a meaningful space program.

But this is it. We can't get any closer to the bone.

Just from a sheer stability standpoint, this Agency can't afford any more cuts and deliver to the American people the benefits of a balanced program. Based on what we know today, we cannot cut human space flight any further without impacting safety. The Space Station is held at \$2.1 billion, and there is no room for additional Shuttle cuts. While human space flight is decreasing, the NASA science programs are increasing, to ensure an overall balance in the NASA programs.

As for aeronautics and space technology, we've made a commitment to the future. Technology is having a real impact on our quality of life and our ability to compete in the global economy, and cuts here would be a terrible mistake. Our technology programs are vital. They will result in technology transfers that benefit and touch the lives of all Americans -- from spinning off new industries like commercial remote sensing to improving treatments for burn victims and heart disease.

If there are more cuts, they will upset the balance and the quality in the program we worked so hard to develop, and we could no longer say that we have a program that makes sense for the country. We absorbed an 18% cut in real terms in the five-year FY 1994 budget submittal, and a 12% cut in the five-year FY 1995 submittal. That's a 30% cut in the NASA program in two years. We must hold the line at this level and will work closely with Congress to do so.

I would like to conclude by saying that the space program doesn't belong to NASA, or the scientific community, or the contractors. It belongs to Americans -- all Americans. We've been visiting with people in Nashville, Tennessee; Newport News, Virginia; Princeton, New Jersey; Baton Rouge, Louisiana, and across the country. We are talking to and listening to Americans, and they love our space and aeronautics program. It enriches their lives.

At NASA, we do great things. We break the bonds of the known and travel into the unknown. We offer hope and inspiration to the children of this nation, and we offer America a brighter, healthier future. We are using what is possibly humanity's most powerful tool -- the manipulation of gravity -- to find ways of transforming our economy and to better the lives of all Americans.

We will be working with Congress to make sure that the space program can continue to do all of these things. The next generation of Americans deserves no less.

Thank you very much.

THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS SEEN
2117194 db

94 FEB 16 P5:38
February 16, 1994

MEMORANDUM FOR HAROLD ICKES
GREG LAWLER

FROM: MACK McLARTY

SUBJECT: BETSEY WRIGHT -- HEALTH CARE COALITION

Attached is a memo regarding a concept Betsey Wright mentioned to Bill Burton during their recent conversation regarding a coalition being put together in support of the employer mandate concept. This idea seems to have merit on the surface and, thus, you might want to pursue it with Betsey.

m-p

*bcc: The President
The First Lady*

1 agree with this

CLOSE HOLD

February 14, 1994

MEMORANDUM TO MACK McLARTY

FROM: BILL BURTON *Bill B.*

SUBJECT: Betsey Wright

At your suggestion, I spoke with Betsey Wright on Thursday regarding her activities and suggestions:

Health Care: She is thinking about putting together a coalition in support of the employer mandate concept. It would include, she said, big employers such as carmakers, as well as, interestingly, the Health Insurance Association of America.

PHOTOCOPY
WJC HANDWRITING

THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS SEEN
2/22/94 db

02. 21. 94

Mails

Mr. President -

Governor Mabus called
you at 12:10 pm.

He said he was calling
at your request after
your meeting last week.

He said yes.
Hoover.

THE PRESIDENT HAS SEEN 2/27
2/25 94
mr. President —
THE WHITE HOUSE
WASHINGTON

- ① I gather you spoke to Kent Conrad. We are working on the Conrad/Organ requests, and you will receive wheat recommendations shortly, including policy and political considerations. This is not simple.
- ② I spoke to Bill Bradley, and we will meet with him next week. He seemed miffed, more generally, but he was responsive to meeting.
- ③ G-7 jobs conference.
Reich / Mack reported your comments. Outtrench is good, but I'll post you for your further views.

← Bob Rubin

Agriculture Organization said Monday some 15 African nations face critical food shortages because of civil conflict and bad environmental conditions.

(W.Post-1/26) -- Once again, certain areas in Somalia are suffering severe crop shortages. The recent shortages are the result of little rainfall and inter-clan fighting that has damaged fields and food stocks. While a UN draft report says that gains made during the year-long international intervention in Somalia risk being lost, others, including CARE's deputy team leader in Somalia, call it a food deficit--not a famine.

FARMERS TO BLOCK GRAIN ELEVATORS (UPI 1/24) -- Farmers in Shelby, Mont., reportedly have established a blockade of the town's highway exit, in protest of "cheap, subsidized Canadian imports," which has prevented Canadian wheat trucks from unloading their products in Shelby. "We can't even deliver last year's crop," said Shelby wheat farmer Art Adamson, "because the elevators are full with Canadian grain. Buyers won't even look at us until they get all they can out of Canada."

CAUSE OF LUMBER PRICE RISE DEBATED (JOC 1/25) -- While a U.S. lumber trade group official blames environmental curbs on timber production for pushing certain lumber prices to all-time highs, environmentalists contend that the rebounding U.S. housing market is the cause. The environmentalists claim that the high prices result more from the improving economy and bad weather than from protections for spotted owls.

GATT STINGS EUROPEAN BEEKEEPERS (Reuters 1/24) -- Thousands of angry beekeepers, concerned about Chinese and Mexican competition, blew whistles and waved flags around a meeting of European Union farm ministers Monday, looking for aid to help them survive cheap imports. They said the EU's 16,000 beekeepers risk being wiped out since they receive no aid or protection and import tariffs are set to fall under last month's GATT world trade agreement.

OREGON RAILROAD TAX UPHeld (UPI 1/24) -- The US Supreme Court Monday upheld Oregon's property tax on railroads, overturning a lower court's ruling. In Oregon, an adverse ruling would have meant either no property tax on railroads or an end to tax exemptions for farm machinery and equipment, business inventories, livestock, poultry, bees, fur-bearing animals and agricultural products in possession of farmers.

COWS AND SHEEP TEAM UP TO REDUCE LOSSES (AP 1/25) -- Herding cows and sheep together makes it more likely that coyotes will stay away, according to a report resulting from a 3-year study. Sheep losses to coyotes cost ranchers about \$5 million each year. USDA reports that in addition to warding off coyotes, teaming cows with sheep also provides an environmental benefit: overgrazing becomes less of a problem because cattle eat mainly grass, and sheep prefer shrubs and broadleaf plants.

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THE PRESIDENT HAS SEEN 2/6/94

MR. PRESIDENT:

THE ASSAULT ON THE MONEY PROGRAM
HAS REACHED WORLD-WIDE PROPORTIONS.

PHOTOCOPY
WJC HANDWRITING

TJH

2.2.94

PEACEKEEPING

Q: What are the Administration's plans on peacekeeping policy? What do you think of the criticisms of peacekeeping and the UN that Senator Dole just put forward?

A: We have just reached completion of our inter-agency review of peacekeeping policy, funding and management. I will be sending senior members of my foreign policy team to the Hill during the coming two weeks to brief the relevant committees and members.

-- Peacekeeping can be an important and useful way to advance US interests. The peacekeeping effort in Cambodia is a good example. However, as I said at the UN in September, the UN is overextended on peacekeeping right now; we need to ask new questions before deciding to vote for or participate in UN operations; and we need changes in the management of peacekeeping -- both at the UN and in our government.

-- Senator Dole made some valid points. For example, he argues we should pay a lower assessment rate for peacekeeping operations than the current rate of 31.7%. That's a point I made at the UN in September. The Senate's debate on this over the past few days will be helpful to all of us as we work together to craft a solid policy on these issues.

THE WHITE HOUSE
WASHINGTON

More than two thirds of the members of President Clinton's Cabinet participate in the National Drug Control Strategy. Ten Members of the Cabinet will participate in events throughout the country to highlight their Department's role in the fight against drugs.

CABINET DRUG STRATEGY EVENTS

Principal: Secretary Christopher

Date: Feb. 9, 1994 - 3:30pm

Location: Department of State, Diplomatic Reception Room,
8th floor

Background: Meeting with Ambassadors of countries who receive drug enforcement funds, international organizations and other federal representatives. The meeting is a briefing on the Department of State's counter-narcotics strategy.

Press Contact- Mike McCurry - 647-6607

Principal: Secretary Bentsen

Date: Feb. 10, 1994 10:00 - 11:00am

Location: Customs Head Quarters
1301 Constitution
Washington, DC

Background: On December 31, 1993, Customs special agents seized twenty-five pounds of heroin and arrested five individuals who were attempting to smuggle the heroin from West Africa in the U.S. This was the largest heroin seizure ever in D.C. The Secretary will present a plaque to the Agents and Inspectors who participated in the seizure and will make remarks to the Customs anti-drug agents regarding the Presidents National Drug Control Strategy.

Press Contact- Hamilton Dix - 622-2930

Principal: Attorney General Reno

Date: Feb. 14, 1994 - 12:00 - 1:15pm

Location: Philadelphia, PA

Background: The Attorney General will meet with selected members of the Violent Traffickers Project. The Project is a coordinated approach to identifying, investigating and prosecuting organizations with a history for violence and narcotics trafficking within the Philadelphia area. She will also tour a two block radius seeing the problem first hand.

Press Contacts- Caroline Aronovitz
Julie Anbender - 514-2007

Principal: Secretary Reich

Date: Feb. 14, 1994

Location: Washington, DC

Background: The Secretary will to kick off the Department of Labor's "Workplace Partnerships" -- a workplace substance abuse initiative. He will visit a workplace in the Washington, DC area to announce the availability of a new information kit for the business community designed to provide them with information and materials on substance abuse.

Press Contact: Mary Meagher - 219-8211

Principal: Secretary Shalala

Date: Feb. 14, 1994

Location: Chicago, IL

Background: The Secretary will address the Chicago Luncheon Forum on Drugs, Crime and Public Health. The purpose of this round-table is to foster dialogue across institutional boundaries concerning solutions to society's drug problem.

Press Contact- Avis LaVelle - 690-7850

Principal: Secretary Cisneros

Date: Feb. 14, 1994 - 10:30am

Location: Outhwaite Homes
Cleveland, OH

Background: The Secretary will visit the Miracle Village Drug Treatment Program. The 90 day on-site drug treatment program for women and children endeavors to wholistically treat the family unit. The Secretary will also visit the Recovery Village, a 24 month, on-site supportive recovery program also located at Outhwaite Homes.

Press Contact- Sharon Maeda - 708-0980

Principal: Secretary Pena

Date: Feb. 11, 1994 - 2:30 - 4:00pm

Location: West Sacramento, CA

Background: The Secretary will visit a Drug Recognition Expert (DRE) course where California Highway Patrol (CHiPs) and other law enforcement officers learn how to identify motor vehicle operators suspected of drug impaired driving. The course was developed by the United States Department of Transportation.

Press Contact- Ellen Berlin - 366-4531

Principal: Secretary Riley

Date: Feb. 10, 1994 - 9:45am-10:45am

Location: Langston Hughes Middle School
11401 Ridge Heights Road
Reston, VA
(behind South Lakes High School)

Background: The Secretary will meet with student counselors, "peer helpers" and student peer mediators. These students aid in drug prevention and intervention in the school. Senator Robb will join the Secretary.

Press Contact- Rick Miller - 401-2571

Principal: Secretary Jesse Brown

Date: Feb. 14, 2:00pm

Location: VA Medical Center
50 Irving St. NW
Washington, DC
Tom Williams, Director

Background: The Secretary will visit with veteran patients receiving care for substance abuse treatment at the Washington VA Medical Center. The visit will include a press briefing on the wide range of substance abuse treatment services provided by the VA and a discussion of the VA's leadership in incorporating vocational training and rehabilitation in substance abuse treatment.

Press Contact- Bill Sawchak - 535-8076

Principal: Director Lee Brown

Date: Feb 11, 1994 - 12:00pm

Location: Windham Austin Hotel
Ben White Blvd.
Austin, TX

Background: Director Brown will deliver the keynote address at the Office of Texas Attorney General's conference: Criminal Justice system and the Minority Community- Building a Partnership.

Date: Feb. 14, 1994

Location: Mexico

Background: Director Brown will visit new Attorneys General, meet with President Salinas and other senior Mexican officials on Counter-narcotics issues and review U.S.-Mexico cooperation in drug control efforts.

Date: Feb. 18, 1994 - 12:00pm

Location: Crystal City, VA
Crystal City Marriott Hotel

Background: Director Brown will deliver the luncheon address during the National Federation of Parents National Leadership Conference.

Press Contact- Pat Wheeler 395-6792

THE WHITE HOUSE
WASHINGTON

February 8, 1994

DRUG STRATEGY ANNOUNCEMENT

DATE: February 9, 1994
LOCATION: **Prince Georges County Correctional Center**
Upper Marlboro, MD
TIME: 11:30 am - 12:30 pm
From: Christine Varney CA✓
Jennifer O'Connor JMO

I. PURPOSE

To announce the 1994 National Drug Control Strategy and link it to the Administration's crime initiatives.

II. BACKGROUND

The 1994 National Drug Control Strategy

Last year, the Administration submitted an abridged Interim Strategy that called for a new direction in the fight against illegal drugs. The 1994 Strategy emphasizes demand reduction efforts that can directly address hard-core drug use and its ripple effects on society through increased crime, health costs, etc.

The 1994 National Drug Control Strategy builds on the interim strategy -- but is backed up by funding increases in priority drug programs. It states that despite spending \$52 billion since the first strategy 5 years ago, drug use and trafficking remains a significant problem in America today: hard-core drug use continues unabated; casual or intermittent drug use, after dropping for 6 consecutive years, seems to be on the rise for in-school youth; drug-related violence has not dropped significantly; and, despite a record number of seizures, the amount of illegal drugs entering into the country has actually increased. The 1994 Strategy proposes four major initiatives:

Hard-Core User Initiative: The 1994 Strategy proposes the largest ever increase in treatment for hard-core users -- \$355 million -- and an overall treatment increase of \$360 million or 14.3%. Increasing treatment

opportunities is not only compassionate but it makes sense. The National Institute on Drug Abuse has found that for every \$1 we spend on treatment, we save \$3 in the forms of reduced public spending and \$4 in the form of increased productivity, for a total of \$7 per dollar spent. This new initiative will treat an additional 74,000 addicts.

Safe and Drug Free Schools: The 1994 Strategy provides for a \$660 million investment in the new Safe and Drug-Free Schools program -- an increase of \$190.5 million over last year's budget. This investment is intended to increase the number of students in grades K-12 who receive drug and alcohol use and violence prevention education. Last week, HHS announced the first significant increase in drug use among our youth in six years. The monies in the FY 1995 budget will go towards combatting this increase.

Community Policing: The 1994 Strategy acknowledges that we won't be able to successfully treat addicts unless we continue to reduce drug availability and allow communities to take back their streets from drug traffickers. The drug budget includes a \$568 million increase for more police and community policing. Only half of the proposed increase in the FY 1995 budget for police is scored as drug-related.

Source Country Assistance: The fourth major budget initiative in the 1994 Strategy is an increase of \$73 million for the State Department to support source country efforts to reduce the availability of illegal drugs through law enforcement training, judicial reform, crop control, sustainable development, interdiction and demand reduction efforts. This supports your Presidential Decisions Directive which called for a "controlled shift" from interdiction efforts in the transit zones to the types of activities mentioned above in source countries.

The Prince Georges County Department of Corrections

The Prince George's Country Correctional Center opened in February, 1987. It is an independent agency, responsible for the operation of three separate adult correctional facilities: the County Correctional Center, the Hyattsville Work-Release Facility and the DWI Facility.

The Center holds both pre-trial suspects and short-term sentenced offenders. It houses approximately 1200 inmates in 12 separate units, divided into minimum, medium and maximum security. The management system consists of direct supervision of inmates in a barrier-free environment.

The Awakening Program

"The Awakening" is a 90-day residential substance abuse program which is housed in one of the Centers' units. The program is two years old and is funded through a grant from the State of Maryland Governor's Drug and Alcohol Abuse Commission.

Most of the inmates are there by court order. Many are serving sentences for drug or alcohol-related offenses, are probation violators on the verge of having their parole revoked, or are serving time before trial. All are drug or alcohol abusers. They have extensive group and individual counseling each day.

The Center's reintegration strategy is focussed completely on reducing recidivism by adequately preparing the participants to return to their communities to lead productive drug-free lives. They screen those who are motivated to make a change in their lifestyle and only those who are considered viable are entered into the system.

The Link Between the 1994 Strategy and this Site

The 1994 Strategy proposes the largest increase in resources to date for treating hard-core, chronic drug users while still maintaining a tough line on enforcement. This Center and The Awakening Program represents the collaborative and concerted effort, called for in the 1994 Strategy, to deal with not only drug abuse but its inevitable connection to crime.

The Testimonial in today's program

Joseph Mundo is offering a testimonial as part of the event program. He is a 42 year-old former career criminal. He was in and out of jail for 12 years for a variety of crimes including 8 convictions for shoplifting, weapons, assault and parole violations. At least one battery charge was related to drugs. He has been out of The Awakening Program for 6 months and has been clean from drugs for 11 months. He is working as a plumber's helper and as a carpenter-helper and believes very strongly in The Awakening Program.

The Cabinet's Participation

Approximately three fourths of your Cabinet is involved in the National Drug Control Strategy in some way. In order to highlight the roles their Departments play in the National Drug Control Strategy, ten Members of the Cabinet will participate in public events in the next few days. Attached is the press memo outlining their activities.

Mr. President - Per our
discussion, Phil is 2/10/94
fully engaged and we are and
will make progress in Hispanic
Matter -

APPT 5.

Re: Serrano

Mo f

THE PRESIDENT HAS SEEN

2/11/94

cc: Phil

I've given Congressman

Serrano's AA, in his absence,
a thorough accounting of our new
Hispanic appointments efforts,
including two more sent to POTUS
today.

I've worked with his AA
before and know she takes as active
interest in this program as does he.

Phil



THE PRESIDENT HAS SEEN ²/10

CHIEF OF STAFF TO THE PRESIDENT

94 FEB 9 P3:45

✓
Mr. President:

Per our discussion, Warden
'is happy. Bill is happy. I'm
relieved.

Mad

UNITED STATES ENRICHMENT CORPORATION

Two Democracy Center • 4th Floor • 6903 Rockledge Drive • Bethesda, MD 20817

DATE: February 8, 1994

TO: Mack McLarty

FAX No: 202 456-1121

cc: Bill Burton

FROM: Jim Bailey
Counselor

FAX: 301 564-3206
PHONE: 301 564-3350

RE:

If you do not receive a clear transmission of 1 pages, including this cover sheet, please call 301 564-3389.

Mack,

Following your missionary work and Bill Rainer's conversations with Senator Ford, the confirmation hearing today for the five nominees for the USEC Board lasted 30 minutes, with no questions being asked. While we were assisted by the imminence of some roll call votes, it appears that there will be few, if any, questions propounded for written response.

Thank you.

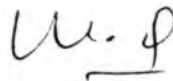
The next business session of the Committee will be February 23rd. Barring unforeseen circumstance, on that date the committee will recommend confirmation of the five.

Regards,


Jim Bailey

Jim

Ans were that ends well. Feb. 23
can't come to sooner. finalizing
confirmation process



THE PRESIDENT HAS SEEN

2/23/94

**AMERICAN CANCER SOCIETY MEMORIALS FOR VIRGINIA KELLEY
FEBRUARY 18 1994**

Mr. Mack Dyer
P. O. Box 94
Dyer, AR 72935

Jim, Billie and Peggy Alford
600 Higdon, #502
Hot Springs, AR 71913

Darrell and Peggy Thomas
117 Grand B Road
Hot Springs, AR 71913

To THE PRESIDENT - F#F
THE PRESIDENT HAS SEEN
2122194 26 (Mack)

94 FEB 18 P4: 24

15 Feb 94

~~Dear~~ Mack -

Thank you so much for
Coming on our little show and
of course for the 3000 chocolate
Calories I didn't need. You
really outsmarted me. Lucky for
us (GOP), the President doesn't
have too many of you around!
You are everpresent as gracious and
gentle mannerly and smart as all
the Cornillites said. It was a
pleasure and real honor to meet
you.

[Apologies again for the insensitivity
of our co-host. It was truly offensive
and disturbing to me personally. We
suffered such tragedies in our family.
There are no answers. Only sadness.
My prayers for your loss.

Mary
(MATALIN)



THE PRESIDENT HAS SEEN

2/10

CHIEF OF STAFF TO THE PRESIDENT

94 FEB 9 P3:45

Mr President:

This is the op-ed piece
By Mrs Greenfield I mentioned
to you when we were in Sept.

Very derogatory comments
By a sympathetic journalist. Well

✓ Meg Greenfield

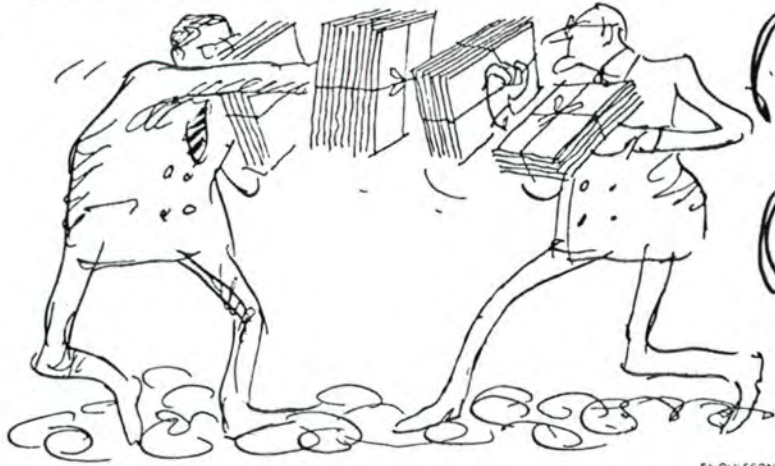
The Guns of February

Clinton Needs to Deal, Not Attack, on Health Care

The White House "war room," it is reported, is on the health-care-reform case, getting ready to blast away, as the First Lady has just done, at any who oppose the president's plan. Critics—mostly conservative—fire some shots that appear to be well placed and some that seem to be completely misaimed. Their fire is returned from the White House, and the debate, as it is optimistically known, is on. I'm sorry to say that so far it resembles nothing so much as the outbreak of World War I—a melee of accident, error, misjudgment, malice and miscomprehension.

Make no mistake, this mammoth proposition that the administration has sent up to Capitol Hill needs and invites plenty of argument. So it is not the existence of the confrontation that is troubling. Nor can you say that the Clinton administration is inept at moving tough legislation through Congress. The president had notable victories, for example, on both last year's important budget bill and the much worried-over NAFTA. But there are differences this time. For one thing, in his earlier efforts Clinton used up a certain amount of the resources available to him for barter. And, importantly, he also used up some arguments that are pretty much one-time-only appeals, such as those about having to save his presidency or not embarrass him on the eve of some large international event. Push these buttons once too often and a president looks not like a president but pitiable and easy to walk over.

But the main difference is the legislation itself. Crucial as the budget-tax bill and NAFTA were, the health measure dwarfs them in several respects. Its complexity is stupendous and the impact of its intricate web of proposals extremely difficult to predict; it affects in a big way the interest of every commercial and industrial enterprise in the country, as well as the interest of every individual, and it does so on a matter about which no one can be even mildly indifferent. This one re-



BY OHLSSON

quires the best, most intelligent, most serious lobbying effort the administration can muster.

That is nowhere in sight. What has happened instead is that this gigantic book containing the program has been released to all but read through by practically none; even so some have begun to attack its provisions and others to defend them, and lines are being testily drawn about particular features that most of the combatants couldn't explain if their lives depended on it. I think that, in the first place, the administration should have put forward a less-detailed and all-inclusive product and let more be worked out in legislative language in cooperation with its allies on the Hill. Now you have this near unreadable doorstop volume that those with a particular interest, often unremittingly hostile, can mine for items and prospects that scare the daylights out of people who have no way of judging their falsity or truth.

But that part is done. What is just getting started and ought to be, as they politely say, rethought, is what appears to be a two-track lobbying effort that is singularly lacking in coherence. On one track are the president and some of his Cabinet members saying most of the myriad provisions of the bill are negotiable. On the other are various White House war-room artillery sergeants firing salvos to the effect that any-

one who dares to oppose the bill is a political hack, a tool of the interests or some other Washington variation on pond scum. One track seems sometimes to give too much too soon from a bargaining point of view. The other seems mainly to give offense. Where are these tracks going? Has anyone seen the train?

Whenever Bill Clinton or any other president who has held the office since 1968 gets into a bribing or threatening posture with Congress, people mindlessly start comparing him to the great tormentor-persuader Lyndon Johnson. This is usually way off the mark. All presidents try this kind of stuff. The difference is that Johnson was exceptionally good at it, understanding the wants and weaknesses of the members better than anyone has since and being more willing to exploit them ruthlessly. By doing so he got some great things to happen. But trying this stuff without being really good at it invites more than failure; it invites reversal and rout. Unlike in the NAFTA case, Clinton doesn't have a huge component of Republicans with him this time around. He does have Democrats who have strong conflicting views among themselves on what the outcome should be. And because the financial stakes in this legislation are so high, with various industries, unions and health enterprises making out much better under one variation of the bill than

another, the politics of passage are likely to be unusually complicated and intense. Clearly, then, the administration needs its best people to the job to be working with the Hill.

This brings up what may have been another early misstep: the decision to have the legislation created and promoted by a special White House-based ad hoc working group and commission and so forth, that existed outside the traditional buildings and venues from which such legislation comes—Treasury, Health and Human Services, Management and Budget, accountable agencies. But whether that was wise or not, it does seem to me that the White House could still get the good of its most practiced, Congress-grounded people—Secretary Bentsen, OMB Director Panetta and Deputy Director Rivlin and others—if it made them the main spear carriers in the negotiating, redrafting and lobbying effort.

War is too important to leave to the generals, the saying goes. This bill is way too important to leave to the "war room." Demonizing opponents, even those who write and behave like absolute demons, is dumb. Calling people toadies of anything is dumb. The insurance companies (some of which prosper enormously under the current Clinton bill) are not models of popularity in this country; but railing at them, while gratifying, is not a strategy. And besides, some of them are potential allies. There is a lot of wisdom (truly) on the Hill on this subject and a lot of savvy in the agencies of the administration. They can be brought together to take advantage of the opportunity Clinton has created to enact a major health reform at last. To the extent that some—surely not all—opposition is reckless and deceptive, as charged, it will not be defeated by a response in kind. What it could not withstand would be the solid, sensible, negotiated bill that could yet come out of the proceedings.

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Is there anything
we can do to
help to make
this happen next
week?

THE PRESIDENT HAS SEEN

2117194 db

PHOTOCOPY
WJC HANDWRITING

THIS ISN'T TRUE. 2/17/94 dh
THE PRESIDENT HAS SEEN

IF WE FIX OUR HEALTH CARE
SYSTEM, WE CAN KEEP THE
DEFICIT ON A DOWNWARD PATH,
WITHOUT HAVING TO SLASH
MEDICARE & SOCIAL SECURITY.

NEXT WEEK THE SENATE WILL
CONSIDER A BALANCED BUDGET
AMENDMENT THAT MANY BELIEVE
WILL LEAD TO DRAMATIC CUTS IN
SOCIAL SECURITY & MEDICARE,
WITHOUT DOING ONE THING TO
FIX OUR HEALTH CARE SYSTEM, OR
ADD TO YOUR SECURITY.

THE PRESIDENT HAS SEEN

James E. Burke

Mark / Memo FYI - and
3/1/94 24 FEBRUARY

MR. PRESIDENT —

YOUR REMARKS WERE VERY WELL
RECEIVED BY THE BUSINESS COUNCIL.
WHILE THERE IS DISAGREEMENT ON
THE SOLUTIONS TO SOME OF THE NATIONS
MOST COMPLICATED PROBLEMS... THERE
WAS A CLEAR CONSENSUS IN THE ROOM
THAT YOU ARE THE MOST ARTICULATE
AND KNOWLEDGEABLE PRESIDENT WE CAN
REMEMBER. THIS BODES WELL FOR THE
NATION!

(OVER)

PHOTOCOPY
WJC HANDWRITING

THANK YOU ALSO FOR MENTIONING
THE DRUG PROBLEM... AND MY INTEREST
IN IT. YOUR COMMENTS WILL MAKE IT
EASIER FOR US TO ACCOMPLISH WHAT
WE HAVE SET OUT TO DO.

PLEASE CONVEY MY VERY BEST
WISHES TO THE FIRST LADY —

A handwritten signature in black ink, appearing to be 'J. Carter', with a stylized, flowing script.

THE HONORABLE WILLIAM J. CLINTON
PRESIDENT
THE WHITE HOUSE
WASHINGTON, DC 20500

405 Lexington Ave., 16th Floor
New York, NY 10174



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2/25/94

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James M. Burke

Your Phone Number (Very Important)

212-873-3514

To (Recipient's Name) Please Print

The Hon. William J. Clinton

Recipient's Phone Number (Very Important)

Company

Department/Floor No.

Company

Department/Floor No.

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THE WHITE HOUSE

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(Check only one box)

Priority Overnight
(Delivery by next business morning)
11 ☐ OTHER PACKAGING
16 ☒ FEDEX LETTER*
12 ☐ FEDEX PAK*
13 ☐ FEDEX BOX
14 ☐ FEDEX TUBE

Standard Overnight
(Delivery by next business afternoon, No Sunday delivery)
51 ☐ OTHER PACKAGING
56 ☐ FEDEX LETTER*
52 ☐ FEDEX PAK*
53 ☐ FEDEX BOX
54 ☐ FEDEX TUBE

Economy Two-Day
(Delivery by second business day)
30 ☐ ECONOMY*
*Economy Letter Rate not available. Minimum charge. One pound Economy rate.

Government Overnight
(Restricted for authorized users only)
46 ☐ GOVT LETTER
41 ☐ GOVT PACKAGE

Freight Service
(For packages over 150 lbs.)
70 ☐ OVERNIGHT FREIGHT**
(Confirmed reservations required)
80 ☐ TWO-DAY FREIGHT**
*Declared Value Limit \$500.
**Call for delivery schedule.

5 DELIVERY AND SPECIAL HANDLING
(Check services required)

Weekday Service
1 ☐ HOLD AT FEDEX LOCATION WEEKDAY (Fill in Section H)
2 ☐ DELIVER WEEKDAY
Saturday Service
31 ☐ HOLD AT FEDEX LOCATION SATURDAY (Fill in Section H)
3 ☐ DELIVER SATURDAY (Extra charge) (Not available to all locations)
9 ☐ SATURDAY PICK-UP (Extra charge)

Special Handling
4 ☐ DANGEROUS GOODS (Extra charge)
6 ☐ DRY ICE (Dangerous Goods Shipper's Declaration not required)

Dry Ice: 9 UN 1845. X kg. 904 III
DESCRIPTION
12 ☐ HOLIDAY DELIVERY (If offered) (Extra charge)

6 PACKAGES
WEIGHT
In Pounds Only
YOUR DECLARED VALUE
(See right)

DIM SHIPMENT (Chargeable Weight)
L x W x H
Received At
1 ☐ Regular Stop 3 ☐ Drop Box
2 ☐ On-Call Stop 4 ☐ B.S.C.
5 ☐ Station

Emp. No.

Date

Federal Express Use

☐ Cash Received

☐ Return Shipment

☐ Third Party

Street Address

City

State

Zip

Received By:

X

Date/Time Received

FedEx Employee Number

Base Charges

Declared Value Charge

Other 1

Other 2

Total Charges

REVISION DATE 12/92

PART #137204 WCSL 1193

FORMAT #158

158

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THE PRESIDENT HAS SEEN

3/17/94

I showed with
all the folks who
met with us at
Gov. Meade's house
along with a group
to Gov + Ann Meade

Lake
copied

PHOTOCOPY
WJC HANDWRITING

MAJOR
TONI
SINGLE MOTHER



CPL
ARMY COMMENDATION
WITH VALOR IN SOMALIA
BRET KARIN



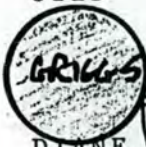
JOE SGT
FT DRUM
FAMILY OF
YEAR



TERESA



OTIS



SGT
2 TOURS IN
SOMALIA
HAT

DIANE



DIANE ERIC
BATTALION COMMANDER
222 INF--RTNED MIDNIGHT
SATURDAY

JEFF



WARRENT OFFICER
HELICOPTER
PILOT



TAMMY

SGT
MAJOR
2/22 INF



LARRY



DAVE



FRANCIE

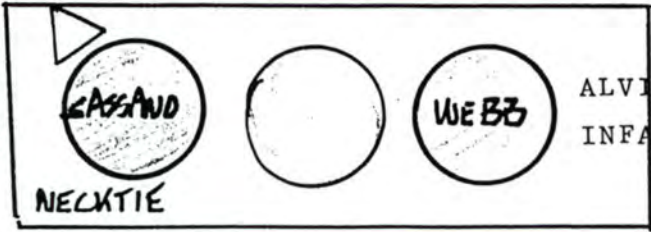


YOLANDA

SUE



RAY
MEDIC
CHIEF
SGT



ALVIN
INFANTRY SGT



MARIE
DEPT OF ARMY
CIVILIAN



THE PRESIDENT HAS SEEN

2:10 PM

CHIEF OF STAFF TO THE PRESIDENT

94 FEB 9 AM: 21

Feb. 9/94

Mr. President:

Per our discussion yesterday
while we were riding in from Andrews
I believe, as does Rubin and Butser,
that we are o.k. @ this point. NO
crisis - Steady -
Mead

A Quiet Day, and the Dow Edges Down

Investors Try to Get a Fix on Rate Trends; Technology Stocks Surge

From News Services

NEW YORK, Feb. 8—Blue-chip stocks edged down in quiet trading today as investors worried about rising interest rates and tried to find their footing following last week's sharp drop in share prices. Smaller capitalization stocks moved sharply higher, led by technology issues.

The Dow Jones industrial average, fell 0.29, to 3906.03. But advancing issues outnumbered declining ones by about 11 to 9 on the New York Stock Exchange, and NYSE trading volume fell to 318.1 million shares from 346.8 million Monday.

The winter storm in the Northeast slowed volume in the afternoon as some traders left early to escape the snow, said Eugene Peroni, director of technical research at Janney Montgomery Scott.

Stocks traded in a narrow range, with little firm direction.

Investors were still uncertain after the Dow average fell 96 points Friday and then jumped 35 points Monday, said David Holt, director of technical research at Wedbush Morgan Securities.

Stephen Shobin, a senior vice president at Lehman Brothers, described the stock market action as a spillover from last week's fears regarding interest rates.

The market was knocked down Friday by the Federal Reserve's decision

to nudge up interest rates for the first time in five years.

Bond prices fell again today, pushing up credit market interest rates. That is often seen as a negative for stocks because it raises the cost of borrowing for companies and makes share prices less attractive.

However, the bond market selling pace slowed as investors began to cautiously adjust to the Fed's move, peering ahead to economic reports and this week's auctions of fresh securities.

The price of the Treasury's main 30-year bond, which dropped $\frac{1}{8}$ point on Friday, was off another 25/32 point, or \$7.81 per \$1,000 in face value. Its yield rose to 6.45 percent from 6.39 percent.

Some of the stocks most sensitive to the economic cycles were again among the winners, with autos, papers, chemical and heavy machinery issues performing well.

But technology shares stole the show. Most are traded on the Nasdaq index, which didn't recover from last week's drop as much as the blue chips did on Monday. The Nasdaq index rose 3.50 to 782.70.

Intel helped buoy the index, rising $1\frac{1}{2}$ to 63 $\frac{1}{2}$.

Microsoft, however, didn't fare so well, falling 2 to 78 $\frac{1}{4}$. A Soundview Financial Group analyst lowered his rating Monday.

Among actively traded NYSE issues, Sears Roebuck lost $\frac{3}{4}$ to 47 $\frac{1}{4}$

after announcing weaker-than-expected fourth-quarter earnings.

Pfizer fell $\frac{1}{4}$ to 59 $\frac{1}{2}$ after the company told analysts it was comfortable with the low side of their 1994 earnings forecasts but that sales growth in the first quarter would not match full-year growth.

■ The NYSE composite index fell 0.05 to 261.96, the American Stock Exchange index rose 0.84 to 477.68 and the Standard & Poor's 500-stock index fell 0.70 to 471.06.

■ The dollar rose against most major currencies after Britain cut interest rates and investors sold pounds in favor of dollars. In New York, the dollar finished at 108.65 Japanese yen, down from 108.70 yen, and at 1.7635 German marks, up from 1.7590. By mid-day Wednesday in Tokyo, the dollar was trading at 108.50 yen.

■ Gold prices rose in New York after dropping in Europe. On the New York Commodity Exchange, gold for current delivery closed at \$382.30 a troy ounce, up \$3.40.

■ Light sweet crude oil for delivery next month fell 4 cents, to \$15.21 a barrel, by the New York Mercantile Exchange's early 2 p.m. close.

■ Share prices on the Tokyo Stock Exchange tumbled early Wednesday as investors took profits from a surge the previous day. The 225-issue Nikkei stock average fell 339.04 points, or 1.67 percent, to end morning trading at 19,912.19.

Orbital Sciences' Profit Up 21% in '93

Orbital Sciences Corp. of Fairfax said yesterday that its net income in the fourth quarter rose 31 percent, to \$1.36 million (11 cents per share), from \$1.04 million (9 cents) in last year's fourth quarter. Revenue in the quarter fell 9.6 percent, to \$44.9 million from \$49.6 million.

Orbital, which makes the Pegasus rocket as well as other rockets, satellites and spacecraft, said its profit for the year rose 21 percent, to \$4.6 million (39 cents) from \$3.8 million (33 cents) in 1992. Revenue rose 8.9 percent, to \$190.2 million from \$174.6 million in 1992.

Operating income for 1993 rose 81 percent, to \$8.6 million from \$4.7 million.

David Thompson, Orbital's chief executive, said the company has successfully launched 16 space missions, including its Pegasus rocket, suborbital launch vehicles and several small satellites. In November, the company announced that it was forming an alliance with two defense firms to provide satellite photographs for commercial use.

parent company of Citizens Savings Bank FSB, reported that its annual earnings nearly doubled, to \$5.89 million (\$2.45 a share) last year, from \$2.89 million (\$1.30) in 1992.

The company said its net interest income for the year increased to \$17.3 million, compared with \$14.6 million the previous year, partly because of a widening spread between interest rates paid on savings and those charged on loans, and interest payments recovered on troubled loans.

For the fourth quarter, First Citizens' income was down 10 percent from the year-earlier quarter, to \$934,000 (38 cents), from \$1.04 million (46 cents).

Nonperforming assets—bad loans and foreclosed properties—totaled \$40.1 million at year-end, down from \$56.1 million at the end of 1992.

The parent company had total assets of \$522 million at year-end.