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MORNING STAR BAPTIST CHURCH

2411 East 27th Street
Kansas City, Missouri 64127

"Peace, Love, Togetherness"

JOHN MODEST MILES
PASTOR



Residence
1801 East 60th Terrace
Kansas City, Missouri 64130
333-1046

Pastor's Study - 921-4444
Church Office - 923-3559

Office Hours
9:00 A.M. until 3:00 P.M.

February 10, 1993

President Bill Clinton
The White House
Office of the Official Secretary
Washington, D.C. 20500

Dear President Clinton,

Thank God for you President Clinton. Each day in my prayers, I pray for you and First Lady, Mrs. Hillary Clinton. Our country will be blessed by your serious and dedicated work.

Thanks to the committee (especially Missy Darwin) for securing tickets to the Inaugural events for the 10 young people, 8 counselors, my wife Jeanette, my son, Derrick and myself from Saturday to Thursday. We were overjoyed to be a part of your great celebration. I would also like to thank a friend of our church in Kansas City, Missouri, Congressman Alan Wheat for making it possible for the youth from my church to visit the Capital and take in sights that they could share with their classmates at school. I wanted to visit the White House, but I was not one of the lucky ones.

Whenever I am in Washington, if your schedule permits, I would like to share with you information regarding economical development projects that I am involved with in the Kansas City, Missouri area.

Enclosed is a plaque of your first Inaugural celebration as Governor of Arkansas. Hope you will enjoy having it.

May God continue to keep his arms around you.

A Friend Always,

John Modest Miles

PHOTOCOPY
WJC HANDWRITING

P.S. Maybe in the near future, you could invite my church choir to come and sing at the White House. Enclosed are pictures of my church congregation and one of our choirs.

THE WHITE HOUSE
WASHINGTON

94 SEP 12 A 8:30

11 September 1994

MEMORANDUM TO THE PRESIDENT
THE FIRST LADY
LEON PANETTA

FROM: HAROLD ICKES (H)

SUBJECT: Health care

Attached is an 8 page memo, dated 11 September 1994, about certain aspects of health care. We have concluded a 4 week period of drift which began Friday 19 August, with a 5th week to go, unless averting action is taken.

I strongly suggest a meeting this Monday -- Tuesday at the latest -- to determine what course the President wishes to pursue.

The President is scheduled to meet with Mitchell, Foley and Gephardt at 2:30 p.m. Monday and with a broader group of the Democratic Congressional leadership at 6:00 p.m. on Tuesday.

cc: Pat Griffin
Melanne Verveer

9/11-

John -
I delivered this
to the President
Sunday evening
Harold

9/11/94

Current situation regarding the health care
initiative and possible alternatives

The current drift surrounding the pending health care initiative is becoming increasingly politically untenable and is putting the White House in political jeopardy.

All are awaiting the outcome of the Mitchell-Chafee discussions, but the clock is about to run out. Since Chafee will not return to Washington until Wednesday (14 September), and the Senate is expected to recess beginning late Wednesday until next Monday (19 September), it is unlikely that those discussions will be definitively concluded one way or the other, at the earliest, until the rest of the mainstream Senators return to Washington on 19 September. The House will be back this Monday and Tuesday, but will go out on recess this Wednesday until Tuesday (20 September).

Congress is currently scheduled to adjourn Friday (7 October), although that could slip until the following week.

Although from a legislative point of view, we may well want the Congress to stay in until at least 15 October, from the point of view of the '94 general election, it is critical that Congress adjourn no later than 7 October (many argue that a week earlier would be preferable) to permit them to get distance from the morass of Washington and to permit them to develop their campaigns.

Given the current posture of the health care "debate", it is difficult for the White House to squarely blame the Republicans for the failure to achieve comprehensive health reform. To date there has been only modest debate in the Senate, which has primarily worked to the disadvantage of those pressing for health reform, and, more importantly, there

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have been no defining votes that permit the White House and Congressional Democrats to lay blame at the Republican door step.

Although the White House can blame special interests for the inability to achieve health reform, this is a double edged argument, because it implies the President and the Democratic Congress were not strong or skillful enough to overcome the interests.

We decided to let the Mitchell-Chafee discussions go forward, during which the White House position on health care has been (a) that the President continues to fight for health care reform and (b) we are waiting for the conclusion of the Mitchell-Chafee discussions. In short we have been in a long drift since 19 August, unable to say anything else. The result of the past 4 week hiatus (with a 5th week still to go) is that neither the press (which universally declared health care dead by Friday 26 August) nor supporters of health care reform, know where the White House stands. Many suspect the White House is waiting to support a probable unacceptable Mitchell-Chafee deal. Others are at a total loss. Many supporters of reform (including many in Congress) would feel relieved if the process were declared ended for this session.

Given that there are effectively 3 legislative weeks left (19 September to 7 October), unless adjournment slips to 14/15 October, the clock is very much against any health care reform this year -- even a so-called minimalist bill. Such a minimalist bill would conceivably cover all kids, would contain modest, but workable insurance reform (e.g. requiring portability, limits on pre-existing conditions, preventing the insured from being

dropped and preventing unreasonable increases in premiums); and, establishing a bi-partisan commission charged with developing a workable plan to put the country on the path to universal coverage, to be reported to the next session of Congress.

Even if a kids bill were achievable within the next 3 weeks¹, many argue the White House should not be seen as promoting it for 2 reasons: (a) to be seen as a White House initiative will substantially reduce the chances of adoption, and (b) were it to fail, it would be one more defeat for the White House.

There are a number of other complications: Dole is reliably reported as developing a modest reform proposal which he and House leaders may introduce when Congress reconvenes, thereby possibly putting the Democrats in a box and on the defensive. In addition, no one (the President, Mitchell or Foley/Gephardt) wants to be the first to declare health care dead for this session -- although weeks ago the press and many others had declared that to be the case. Moreover, the House is in political turmoil, if not complete chaos, regarding health care, and given the pending Gephardt bill, the other legislation yet to be considered, recent statements by single payer McDermott, and other factors, it is doubtful, as of the date of this memo, whether the House has the political will to consider

¹ There are substantial pieces of pending legislation to be dealt with in the 3-4 remaining legislative weeks: GATT, campaign finance; lobbying reform; superfund; congressional reform; communications; mining reform; banking reform.

In addition, the Haitian situation hovers over all Administration and congressional activity.

and adopt even a modest "kids" bill. Then there are the wide spread reports from members on recess that there is little, if any, pressure in the districts for health reform this year. Not to be forgotten is the President's veto pledge, and how that will intersect with any proposed action, especially action promoted by him. Finally, and perhaps most critical, is the Haitian situation which may completely divert the Congress from any further serious consideration of health reform.

Although it certainly appears that comprehensive health reform is unattainable this session, many continue to strongly urge that a "kids" bill, described above, can be achieved, that it will greatly benefit the country, that it will chart the course for additional legislation toward universal coverage, that it will greatly benefit Democrats in the upcoming midterm elections, that it will benefit the President politically in 1996, even if additional health reform legislation is not enacted by then, and if it is not passed, it will at least unmask the Republicans and permit the White House and the Congressional Democrats to finger them as responsible for the failure to achieve health reform.

Others argue that given the legislative clock and the political situation in the Senate and the House, it is virtually impossible to achieve enactment of a "kids" bill and that the health care debate should be cut short and ended.

In any event, it is critical that we decide on an "exit" strategy early this week. The drift and indecision must be brought to an end. The President must be seen as having taken charge of the process. And hopefully the "exit" will (a) reduce the finger pointing at the

White House, in particular, and Democrats, in general, as the ones who screwed up the chances of any health care reform; (b) shift some blame to the Republicans, rather than to Congress as a whole; (c) prevent the Republicans from outflanking the Democrats in the remaining weeks with their own modest "health reform" proposal ; and (d) hopefully (although unlikely) permit Congress to initiate and adopt a very modest kids-insurance reform - Commission bill that works.

There are several options including:

1. Let the Mitchell-Chafee discussions conclude:

- If successful, they may produce a bill:
 - . That neither the President nor many on the left in the Senate, nor many support groups will be able to support, which would put the President, in particular, on the spot.
 - . That will be supported by only 52-55 Senators, which, given the shortness of the remaining legislative session, will permit the Republicans to kill it merely by legitimate sounding debate without a filibuster, thereby preclude fingering the Republicans as killing health care reform.
 - . That, even if adopted, will be unacceptable to the House.
 - . That given the lack of time remaining, will preclude the Senate from considering a "kids" bill currently being promoted by Harkin, et al., or something similar.
- If Mitchell-Chafee are unsuccessful:
 - . Permits Mitchell to go forward with his pending bill, or to declare health reform unattainable this session.

- . Permits the Senate to consider a "kids" bill.

2. Ask Mitchell to terminate his discussions with Chafee this week and try to move a "kids" bill:

- Mitchell may be unwilling to do this since it may cause great political embarrassment to Chafee.
- But it would permit Mitchell either to declare health reform not achievable this session or to continue the debate of his pending bill, or to consider a "kids" bill, thereby precluding Dole, et al. from doing something along those lines, which would permit the Republicans to put the Democrats in a box and on the defensive.
- There are several rumors that Dole, at least, is considering offering a "kids" bill.
- If the goal were to try to have Congress adopt a "kids" bill, coordination between the Senate and House would probably be necessary as well as a strong behind the scenes push by the White House.
- At the very least, having the Democrats move a "kids" bill would put the Democrats in a stronger offensive position, precluding the Republicans from offering similar legislation first - thereby putting the Democrats in a box and on the defensive. If the Republicans vote against a "kids" bill, it unmasks them for what they are and permits the White House and Congressional Democrats to place the blame.
- Based on our conversations with top House staff last week, it is very far from clear, whether the House is able to get a majority for a "kids" bill -- but the attitude of the House may change in this regard depending on action by the Senate.

3. Ask Mitchell to terminate his discussions with Chafee and call for a hard vote on his pending bill (e.g., on the mandate or similar very controversial issue), which would probably lose but which would hopefully force the Republicans into the open about their opposition to any reform:

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- Mitchell may be unwilling to take this course.
 - Mitchell may well be unwilling to have health care die in the Senate.
 - Some in the White House argue strongly against taking a losing vote.
 - This would permit the President to take the very credible position that he had fought to the bitter end but he will be back next year and, most importantly, that the Republicans sealed health care's death this session.
 - Given that comprehensive reform has been declared dead by the press and many others, to revive debate on the pending Mitchell bill and move for a vote on a difficult but hopefully defining issue, may take great political effort and runs the risk of being characterized as somewhat goofy.
4. Let Mitchell-Chafee discussions continue but urge the House to put together a "kids" bill and attempt to pass it:
- The politics of the House are very confused and difficult, at best. McDermott, representing many single payers, recently said comprehensive reform was unattainable this session and that his group wouldn't vote for anything less. Reliable information is, however, that Waxman and other liberals want to try to get a modest bill out this session.
 - The House is unlikely to be able to act until resolution in the Senate.
5. The President and the Democratic legislative leaders meet this week, at the end of which they all declare health reform unattainable this year, but will continue the fight the next session.
- The President should probably do an Oval office speech explaining to the American people what he attempted to achieve, what went wrong, that he will carry on the fight for health reform, but he will not continue to engage in a process that would result in legislation detrimental to the country. (NOTE: Absent other overriding factors, the President may well want to give such a speech no matter which course of action is chosen.)

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- This course of action will not permit the White House/Congressional Democrats to lay blame squarely on the Republicans.
6. Let the current process continue dribbling away to oblivion to the end of the session:
- Unless the White House forces action to avert the current process, this is a distinct likelihood.
 - To permit the status quo to continue will further permit the Republicans to lay entire blame on the White House/Democrats, and will further jeopardize the political standing of the President and Congressional Democrats. In addition it opens the door to a Republican initiative for modest reform.

Democrats' dream is GOP nightmare

Where is the Democratic Party headed, and where is it taking the rest of us? The best answer can be found in President Clinton's acceptance speech, which lays out a new strategy for the Democratic Party, one that has been underappreciated by the political pundits.

Clintonism is not merely me-too Republicanism, as Bob Dole charges. Nor is it best described as "centrist," a sort of watered-down version of the old-style Democratic agenda. Instead, Mr. Clinton has crafted what amounts to a new branch of ideology. Call it low-tax liberalism.

But it is still recognizably a Democratic strategy, wholly distinct from the conservative agenda of rolling back the power of the federal government. As voters, Americans do not have deep enough faith (or pockets) to support large new government programs. So instead, Mr. Clinton offers to use the tax code to deliver big benefits to targeted groups — for much the same reason that after 40 years of Democratic control, the business tax code is littered with loopholes some call "corporate welfare."

Clintonism is traditional patronage politics, with a 21st-century twist. Its whole goal is to create in particular groups of voters a sense of dependence on government, and

therefore gratitude, to the politicians who take care of them. It amounts, in other words, to a classic Democratic bidding war for voters' loyalty, conducted through the tax code instead of the spending side of the equation. It is the opposite of the "fairer, flatter tax code" the Republicans propose.

Lower everyone's taxes, as Mr. Dole proposes, and you've merely reduced the size, power and influence of government. Create a larger special-tax loophole, and you've built a special-interest constituency that will fight to keep it in place and you in power.

And for whose vote is Mr. Clinton bidding? The answer is, surprisingly, affluent, married, two-income families. There's something for everyone in the Clinton pie, but the biggest chicken lands squarely in the pot of a traditionally Republican stronghold: suburban homeowners with college-bound kids.

If you are a professional couple with kids in or approaching college, the Clinton proposal amounts to an offer you can hardly refuse. What is a 15 percent tax cut compared to this: Use your IRAs to pay your kids' tuition, penalty-free. Or, if you choose, sell that home you've been living in for 10 or 20 years, and pocket the capital gains of up to \$500,000, again tax-free. Next, double your tax benefit by using tax-free money to pay for college, and

then taking an additional tax deduction of up to \$10,000 a year.

Mr. Clinton is offering, say, a pair of Scarsdale lawyers, with two kids at Harvard, what could amount to an almost \$200,000 bribe in exchange for their vote.

It won't spur economic growth. It won't help the poor or the working class or even the average American family very much. What it will do, it looks like, is help Mr. Clinton win re-election big.

How do the Republicans respond to a Democratic Party that now supports tuition tax credits for Harvard grads, but not for inner-city public school kids? Surely, Mr. Clinton is forging one of the oddest coalitions in recent memory.

His success points up the unnoticed political weakness of conservatism. Americans are weary of politics, afraid of government and angry about the apparent dissolution of American civilization, which has translated into a modest two-decade-long conservative backlash. But the GOP has not succeeded in creating any institutional barriers to the expansion of government power.

Time is on the Democrats' side. As the population ages, more and more Americans will be directly dependent on government checks. And each year, as the collapse of marriage continues unchecked, more children and their single mothers will depend on government for support of some kind.

More and more clients for the client state. A Democrat's dream. A Republican's nightmare.

Maggie Gallagher is a nationally syndicated columnist.

Work Time

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Re

THE PRESIDENT HAS SEEN

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