

THE WHITE HOUSE

Chief of Staff

to Staff Sec office -

The President gave
this memo to
Leon on Thursday,
January 11.

Jim

96 JAN 16 AIO : 20

COMMITTEE
ON

GOVERNMENT REFORM
AND OVERSIGHT

SUBCOMMITTEE ON CIVIL SERVICE
RANKING MINORITY MEMBER

COMMITTEE
ON

INTERNATIONAL RELATIONS

SUBCOMMITTEE ON
INTERNATIONAL OPERATIONS
AND HUMAN RIGHTS

TO: The President

FROM: Rep. Jim Moran

SUBJECT: The weapon, the battlefield and the goal.

Congress of the United States
House of Representatives
Washington, DC 20515-4608

JAMES P. MORAN

8TH DISTRICT OF VIRGINIA

WASHINGTON OFFICE:

405 CANNON HOUSE
OFFICE BUILDING

WASHINGTON, DC 20515-4608
(202) 225-4376

Your most effective weapon is the line-item veto they promised;
our battlefield has got to remain the high ground on budget
balancing fairness against the agents of special corporate
interests; and our mutual goal must be to provide you with the
fiscal and legislative latitude to go down in history as one of
this country's greater Presidents.

Step 1: You should highlight the hypocrisy of the Republicans'
failure to give you the critical tool promised in their Contract
with America: **the line-item veto**. "A line-item veto would allow
me to clean up the spending bills that are full of extremist,
special-interest provisions and then we could all get back to the
business of governing."

Step 2. **Announce a balanced budget with CBO numbers in the
State of the Union** that exposes the Republican tax breaks and
mean-spirited agenda. You should drop the \$500 child credit for
which only the Republicans will get credit and restructure the

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* { tens of billions of EITC credits into a "working family tax credit" that would be an offset to payroll taxes throughout the year thereby reducing the fraud and misuse of this largely misunderstood program. (I have a letter with more than 100 Democratic signatures on it urging you to do that while you restore the Republican's \$32 billion EITC cut). Whatever components you decide upon, your FY 1997 budget should be close enough to the Coalition budget that Democrats can run on it and Republicans have to run from it. With a Republican-controlled Congress, much of the budget, as you know, is not for practical implementation but for political identification. If you want more than \$50-60 billion in tax cuts, pay for them with some of the more outrageous loopholes like the \$3.6 billion from people who renounce their citizenship, mining royalty and timber ripoffs, etc. You might even consider denying business tax deductions for advertising America's #1 killer -- tobacco.

Step 3. **Clarify the issue.** The Republican freshmen won't let Dole & Gingrich accept less than \$200 billion in tax cuts. This is our issue: the health and security of our people and the soundness and stability of our economy have to be put first; ahead of politically popular or special-interest tax breaks.

You won't allow a repeat of the premature '81 Reagan tax cuts that were never paid for by subsequent spending cuts. You've cut the deficit two years in a row and if it weren't for interest on the Reagan debt, you'd be operating the government at

a surplus today. The Republican budget, on the other hand, actually increases the deficit for the first 2 years and adds \$1.8 trillion to the national debt.

Step 4. We need to hold on to the budget issue throughout 1996. The question next November needs to be "Who can you trust to balance the budget fairly?," not their issue: "Whose values can you trust?"

Contrary to what most of my colleagues and your advisers seem to be suggesting, the current end game is not a balanced budget but a November re-election. The worst thing you could do now would be to give Dole a more moderate budget to run on.

Just as only Nixon could open China, only the Democrats will ultimately be trusted to achieve a fair, balanced budget. But to be fair, it has to be done on your terms in your second term after a repeat of 1948's turnover. If you yield your current high ground on Medicare/Medicaid, education and the environment they will take full and exclusive credit and the public will feel no pain for the first two years. In fact, Part-B Medicare premiums go down. We need the magnitude of seven-year numbers to arouse the public's fear of the unknown. There is no more potent political motivation than the fear of having your home and car seized by the State if your elderly parent goes into a Medicaid nursing home, or not being able to get a college student loan for your kid, or not being able to count on safe drinking water, federally inspected meat and drugs, etc.

PHOTOCOPY
WJC HANDWRITING

If we move off of the balanced budget issue, we lose! The Republican 1996 battleground is values (abortion, race, school prayer, immigration, gay rights, NEA/NEH) and personal attack (Whitewater, personal character, etc.) All on their terms, they'll define the issue, e.g., abortion won't be choice it will be issues like the partial-birth ban and parental involvement. Race won't be affirmative action but quotas, etc. Our unwillingness to say "no" to our financial/political support groups (NARAL, Human Rights, NAACP, etc.) will force us into positions that will disconnect democrats from the mainstream.

Step 5a. Until you get a line-item veto, the focus now should be on getting a C.R. by **playing hardball**. Shut down the government so that it hurts out in their districts. Every time we have brought up a problem, i.e., veterans' checks, ADC payments at Christmas time, etc., they have fixed it. We have let them make it too easy; Federal employees too non-essential, essential government services too taken for granted. Force their hand. Hit them with going home for Christmas vacation "while the

American public is locked out of their government and Federal employees are locked out of their jobs," which every Republican but five voted to do.

CRs are probably unavoidable on Labor/HHS, VA/HUD, and Commerce, Justice, State, but only those three. So the strategy should be to force year-long CRs on those agencies if we can't get the line-item veto.

Step 5b. Debt ceiling extension is the other bullet in

Gingrich's gun to your head. Secretary Rubin has got to maneuver Wall Street into forcing Gingrich to ease up for their sakes. They have invested too much PAC money not to get their way with him.

Step 6. If we can carry your State of the Union common sense balanced budget through to November by extending the debt ceiling and getting the necessary CRs, we can also **run against Gingrich** and his sycophantic extremists that he's hatched, nurtured, and let loose upon the public.

Handwritten: X
Handwritten: X
Dole should be a secondary opponent, someone who can't even control the extremists in his own party, neither in the Congress nor in the Republican convention. People will not want to empower Newt by electing his echo. This strategy will either force Dole into distancing himself from Gingrich and thus alienating the "true believers" or get him so frustrated that he'll reveal his irrational, mean-spirited personality quirks. Either way, you're the composed, in-charge, balanced, and visionary leader.

Victory. The ultimate goal is not the extension of your Presidency. The ultimate goal is to make this an historically great Presidency that will carry us all into the next century on your leadership momentum. The history books should record the Clinton era as one of American dominance of global trade and international democratic and human rights advocacy, while

enabling all Americans to use their God-given capacity to learn, to earn, and to serve (through Americorp and the Peace Corps, student loans and job-placement vouchers, biomedical research and advanced technology support, etc.,).

The Republican seven-year plan is designed to preclude our goal. The last thing you should do is compromise away our electoral platform and your ability to be a bold and progressive leader in your second term.

1996 may be our last chance. We can't blow it. We have to seize it as the opportunity it is and give this country the greatness in leadership it deserves. The radicals in the Republican party have given us a tremendous opportunity to regain a controlling majority in the Congress and a lasting greatness in your Presidency.

THE PRESIDENT HAS SEEN

1/26/96

January 22, 1996

Dear Mr. President,

You are the greatest. I am so proud of you. Keep the good work up. Keep to your convictions and don't look back. Forget '96 for the American people are pretty smart and know a hard working President when they see one. And you are one hard working President.

I saw Hillary the other day in Little Rock. She said something very nice to me and I really appreciated it. About my letters and all. Well, writing you these letters is a real pleasure. I am glad I help in my small way. I am praying for Hillary and you. I am praying that you keep the faith, do what you truly think is best and lead this country and this world where it needs to go. You have it in you. You were born to do this and you must.

The American people want a President that doesn't stop working and making decisions just because it is an election year. The American people want a President that is courageous and will take a chance by doing what he believes in.

My new job is requiring that I travel a lot. At night when I am on the road I can do radio interviews. That is the most I can do for now. So have your people get with me on my schedule and I will be glad to do interviews at night. I do a pretty good job at that kind of stuff.

About tomorrow night, I want to hear about what is going on now. I want to hear the truth about the budget. I want to hear that ALL of us must sacrifice to make this country better, I want to hear that Pericles (? Spelling) from the ancient Greeks in a speech said that a society must take care of their own. Even back then the founders of democracy knew the importance of working together. We at the same time must practice tough love. We must demand the best out of all in our society. Instead of schools that separate those who supposedly can't learn we must challenge ALL children. We must demand from all children instead of saying, "you can't do the work so we will put you in a class where you can mark time and put the others in GT classes". If we give up on young kids they will never have a chance. But if we say you can and will do this and I will get off my ass and help you, then many will succeed and many will develop a positive self concept. For the young teachers and parents are the future. To those adults who are down we must pull together and help them back. We must help them realize the positives we all have in us.

I think you need to talk about the budget. You need to raise your fist and tell America that there are certain issues you have been fighting for all of your personal and professional life. People, dignity, humanity, and you will not stop now. It is time politicians stand for what they believe instead of what their party has always believed. Maybe things have changed and the party must change. Maybe the Republicans are right sometimes and the Democrats are right sometimes. Right is right and wrong is wrong. Opinion polls are out what is good for the whole is in. Popularity is out and leadership is in. Expediency is out and what's in your gut is in. Compromise is good when handled honestly, but not when personal agendas are the end. Only true compromise for the good is in.

I want to know what you are going to do about healthcare. It was so important two years ago - what about now and did the projections you made about more and more people being without healthcare come true and why had nothing be done in a whole year. Didn't the republicans say wait till 1995 - don't rush it and all that stuff in 1994?

I want to know that tit for tat politics is not in your vocabulary. You are sick and tired of the old way Washington is run. That the people must be involved more in decision making. That a few consultants and lobbyists are not smart enough to run this country. That money should not be the motivation for the Presidency. That you will work as hard this year to create the correct type of change that will be good for

OKS/Ann Lewis
by Ann Mally good
interviews - that's all he
can do now but he's good

Be

ac
Hawes
Ann Lewis

all Americans. You will not stop and make decisions a different way just because it is an election year. There are very important issues that can't wait for the political games.

Everyone that is able must donate some time and energy to help others in their community. That volunteerism is the catalyst for a healthy society. That churches can augment the family. And that there is no substitute for the family if possible.

We all must be willing to sacrifice something for the whole. Our time, our money, our energy. The poor must be willing to give their energy to become self sufficient, the middle class must be willing to give some of their money and time to help others, and the rich must be willing to give back to a country that has provided such an opportunity to them. To those who never have enough -- how much is enough -- especially if dishonesty is how they acquire their fortunes. The government needs to sacrifice also. The departments that are outdated need to be closed - period. Etc.

You should be very proud and need to tell me what you have done. You must be honest about the successes and the failures. You must take the blame when you deserve it and brag when you deserve it. It is ok to brag when you have done a good job. After all if you don't point out your positives, who will. You are the first American leader that has served in the new era of foreign affairs. All the rules are now different. True diplomacy is needed. You must be willing to communicate with almost anyone to work in situations. E.g. Ireland. Bold chances must be taken - Bosnia - Haiti etc. Constant fighting solves nothing and ignoring your enemies will seldom work.

I will be in Milwaukee tomorrow and for the rest of the week. I will be watching tonight from there. I will be staying at the Hyatt Regency. My office has my number if you need me. Wish me luck. I am working with the Wisconsin Bar at their mid year Bar meeting.

I was in Madison several weeks ago and several people asked me about the personal rumor bs that is used to make you look bad. They agreed with your basic policies, but were concerned what type of person you are. Once I straightened them out about you personally they felt much better.

I am rambling now. I hope this gives you a feel for how I feel. Maybe it will translate into something helpful. Oh, Linda has read several letters from all ages that are behind your fight for the budget.

The flat tax sound good but Joe says he is for cutting all exemptions and people paying a graduated income tax.

You are a Great American.

Linda ran 15 miles yesterday in her grueling training for Boston. She is getting into shape now and will do well on April 15th. Why don't you come up and watch her. HAHAAHAHA.

Your friend,

David L.

THE PRESIDENT HAS SEEN

1-26-96

THE PRESIDENT HAS SEEN

1-26-96

January 25, 1996

MEMORANDUM

To: THE PRESIDENT

From: Nancy Hernreich
Andrea Whitney

Re: "The Final Test, The Personalities and the

Your State of the Union speech is an c
character of your political career. You have
integrity than any leader since JFK. Show

The Personalities

The First Lady: The women's vote will d
toward Mrs. Clinton will be the main decidin
intelligence; it will show your character and
about.

Bob Dole: Let Dole self-destruct. Praise
compromise; it will drive him crazy because h

The Issues

The Economy: As a recession becomes conceivable you can not yield to the
Republican 7 year plan because:

- 1) Americans must be able to provide basic needs even without jobs.
- 2) You care too much about the reducing debt to worsen it with popular
tax breaks.

- 3) The House Republican's plan actually increases the debt in its early
years.

Working Family Tax Cuts: Replace the EITC with Family Tax Credit

Line Item Veto: Keep reminding the Republicans of their promise.

Medicare: When tried in 15 states Managed Care actually increased costs due
to insurance profit share. Cutting from Medicare reflects a different set of
priorities which you will continue to veto.

Direct Loans: Loans would be turned back to the banks and ultimately cost
American Parents \$12 billion.

Welfare: Putting welfare mothers to work will require more day care, education
and training. Corporate welfare must be demagogued.

Debt Ceiling: Slam the Majority Leader for even challenging to force a default
on treasury bill payments.

*Diors asked
Mr. Waldman
to look this
over for Diors
rather than
giving away
right away
there are other
ideas here, though.*

PHOTO
WJC HANDWRITING

THE PRESIDENT HAS SEEN

1-26-96

January 25, 1996

MEMORANDUM

To: ~~THE PRESIDENT~~

From: Nancy Hernreich
Andrea Whitney

Re: "The Final Test, The Personalities and The Issues" by Rep. Jim Moran

from Cong. Moran

Your State of the Union speech is an opportunity to bring together all the character of your political career. You have more natural ability and political integrity than any leader since JFK. Show us why Bill Clinton chose political life.

The Personalities

The First Lady: The women's vote will decide your election. Your attitude toward Mrs. Clinton will be the main deciding issue. Show your security with her intelligence; it will show your character and that is what Americans really care about.

Bob Dole: Let Dole self-destruct. Praise Dole for his moderation and art of compromise; it will drive him crazy because he is already challenged by your youth.

The Issues

The Economy: As a recession becomes conceivable you can not yield to the Republican 7 year plan because:

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INTERNATIONAL RELATIONS

SUBCOMMITTEE ON
INTERNATIONAL OPERATIONS
AND HUMAN RIGHTS

Congress of the United States
House of Representatives
Washington, DC 20515-4608

JAMES P. MORAN
8TH DISTRICT OF VIRGINIA

WASHINGTON OFFICE:
405 CANNON HOUSE
OFFICE BUILDING
WASHINGTON, DC 20515-4808
(202) 225-4376

cc: Dae/Waldman

FAX COVER SHEET

PLEASE DELIVER PROMPTLY TO: President Clinton

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NUMBER OF PAGES, INCLUDING COVER SHEET 2

FROM:

Name of Sender: REP. JIM MORAN

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Thank you for your assistance.

NOTES: **ATTN: BETTY**

COMMITTEE
ON

GOVERNMENT REFORM
AND OVERSIGHT

SUBCOMMITTEE ON CIVIL SERVICE
RANKING MINORITY MEMBER

COMMITTEE
ON

INTERNATIONAL RELATIONS

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AND HUMAN RIGHTS

Congress of the United States
House of Representatives
Washington, DC 20515-4608

JAMES P. MORAN

8TH DISTRICT OF VIRGINIA

WASHINGTON OFFICE:
405 CANNON HOUSE
OFFICE BUILDING
WASHINGTON, DC 20515-4608
(202) 225-4376

MEMORANDUM

CONFIDENTIAL

TO: President Bill Clinton
FROM: Rep. Jim Moran
DATE: January 21, 1996
RE: The Final Test, The Personalities and The Issues

DETERMINED TO BE AN ADMINISTRATIVE

MARKING INITIALS: MI **DATE:** 2/5/10

205-0940-5

Mr. President, you invited me to fax you any further observations consistent with our last telephone conversation.

The Final Challenge

Your speech tomorrow effectively begins the last campaign of your life. It is an opportunity and a challenge to bring together all the hard fought lessons, all the natural and developed skills and all the determination and character that have defined your political career. This is the election that will put you in the history books and affirm the faith of those who have loved you and believed in you.

But enough of the pump priming.

The Personalities

The First Lady: It is the woman's vote that will decide this election and it is your attitude toward Hillary that will get it for you. The negative vote of nearly every antagonistic white male can be offset within the same household.

The key to the women's vote is not abortion or equal rights or day care, but whether women feel that you treat your wife the way they want to be treated, i.e., with deference, love and respect. Women want a man who'll "stand by his woman."

The problem with Hillary is that she's brighter and more competent than 99% of the men out there -- and she knows it. You have no choice but to highlight your own personal security and treat her as the asset she is. E.g.: "My love for Hillary is between she and I but my respect for her as a partner in life and an equal in intellect is so great that no degree of political expediency will ever cause me to distance myself from her nor to diminish her role in my political career. And if that costs me the Presidency, so be it."

Such a statement says more to the American people about your character than any allegation D'Amato and his ilk could possibly come up with. It's also a far more effective way to negate the Paula Jones-type stuff than any specific protestations could possibly accomplish.

Forget the know-it-all inside-the-beltway pundits. The American people don't understand or care diddlyshit about Whitewater or Travelgate, but they do understand character when they see it. Show them yours.

I know you agree so let's move from your asset to your opponent.

Bob Dole: Shower this guy with praise for his moderation, his willingness to understand that politics should be the art of compromise not the tactic of terrorism. Praise him for putting those innocent federal employees back to work who had been held hostage by the extremists in his party because they couldn't achieve their objective in a lawful, democratic way.

This guy is incredibly threatened by your youth and your charm. His only hope is to come off as a seasoned statesman. But you take the high road and he'll take the low road. He knows it better anyway. Praising him for moderation and helping federal bureaucrats will drive him crazy and throw red meat to his primary opponents.

At some point, Gingrich will embarrass him deliberately and destructively, which will cause the voters to ask themselves if Dole can't even control his second lieutenant, how's he hope to take over control of the country? The fact that you are heading a party united solely behind you will leave a lasting impression on the voters.

Let Dole self destruct.

The Issues

The Economy: A recession is not inconceivable. The stock market has been too high for too long. EPS numbers are getting irrational and the American consumer is nearing the tipping point in the anxiety and reality of corporate downsizing, restructuring, and globalizing.

But this is a Democratic opportunity. You cannot yield further on the Republican's seven year plan because:

1. As a nation, we must always work for the best but be prepared for the worst. If the economy slows, unemployment increases and consumer purchasing declines, you are determined to have all the tools necessary to continue steering this economy in a straight direction no matter how bumpy the road gets. And when people loose their jobs, through no fault of their own you will see to it that they do not also lose their home and their ability to provide for their families. This addresses the breadth and depth of economic insecurity gripping our work force.

2. You care too much about the burden of our national debt to worsen it for the sake of politically popular, but excessive, tax breaks.

If it were not for the interest we're paying on the debt, attributable to the Republican tax cuts/loopholes of 1981, we

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2. You care too much about the burden of our national debt to worsen it for the sake of politically popular, but excessive, tax breaks.

If it were not for the interest we're paying on the debt, attributable to the Republican tax cuts/loopholes of 1981, we would be operating at a surplus today and able to strengthen the economic security of working families.

3. The House Republican's plan actually increases the deficit in the early years. You will not sign onto a plan designed to give the signators political gain while passing on the pain of real program cuts to future Presidents and Governors.

Working Family Tax Cuts: Replace the EITC with a Working Family Tax Credit that offsets the FICA and other income taxes on a current basis.

Line Item Veto: I still think you ought to ask the Republicans to keep their promise in the Contract with America to give you a line item veto so you can "clean up these appropriation bills by taking out the extremist, inappropriate legislation and letting us all go back to the business of paying our bills and running our government."

Medicare: You agree with the Trustees report that approximately \$100 billion needs to be cut from Medicare to insure its solvency. But to cut an additional \$100 billion to pay for tax breaks reflects a different set of priorities that you will continue to veto. But Medicare is more than a dollars and cents issue, the House Republican plan goes to the heart of what makes America great -- its sense of community. By destroying the concept of community rating and replacing it with managed care, we will be throwing the older and the sicker overboard to make more room for the younger and the healthier.

90% of Medicare recipients cost the program less than \$1300 per year and they'll stay on board. It is the 10% who cost an average of \$28,000 per year who will be thrown overboard. These are the people you are most concerned about because no one in the audience can be assured that they won't one day be one of those 4 million who have no recourse but to depend upon Medicare insurance for critical and costly medical crises.

Giving managed care companies \$4800 per year for each beneficiary will certainly increase competition in the health care field. But it will also increase the targeting, the segmenting, the creaming, so as to avoid coverage of the old and sick. Isn't this the antithesis of what insurance is all about - in fact isn't this just the opposite of what the American community is all about?

In the 15 states where the Republicans' managed care approach has been tested, it has actually increased costs due to the insurance companies administrative and profit share of 15-25% versus 2% for all Medicare administrative costs, not to mention their ability to target the young and healthy whose health costs are less than a third of their per capita premiums.

Direct Loans: The House Republicans have fought long and hard to turn the direct student loan program back over to the banks. After all, banks will gain \$8.8 billion of profit while the

Federal government will reduce expenditures by \$3.8 billion. But where does this \$12 billion come from? "It comes from the savings of America's parents who have worked and sacrificed and dreamed of a better life for their children through a college education. America's families don't have another \$12 billion to pay the banks for college costs and we shouldn't require them to. Again, this is a far different set of priorities than mine and I will continue to exercise my veto authority over every attempt to tear at the social and economic fabric that holds us together as Americans."

Welfare: If welfare reform is to work, we must enable the 5 million single mothers who represent virtually all the adults on welfare to be able to work without compromising their responsibilities as parents. Not one of the 9 million children on welfare chose to be born into poverty, but if their mother must abandon them to fulfill her work requirements we will be further punishing the innocent and helpless. Putting welfare mothers to work will require more day care for the children and more education and training for the adults than the Republicans are yet willing to provide.

But speaking of welfare, it's time to do a little demagoguing on corporate welfare. "We can't continue to offer our wealthiest taxpayers incentives to renounce their citizenship. \$3.6 billion was lost just this year due to the subterfuge of claiming a foreign residence.

"Nor should foreign mining companies be making billions by

buying public land at prices that were set back in 1872. This is the principal reason I was regrettably forced to veto the Interior Appropriations Bill."

Debt Ceiling: Slam the Majority Leader for threatening to force a default on our financial obligations. Armev wants to repeal Reagan's 1987 legislation that was designed to prevent any possibility of the kind of world wide financial chaos that would result if we ever seriously considered defaulting on our Treasury bill payments. And speaking of the father of the Republican Revolution, when he couldn't reach agreement with Congress he requested a continuing resolution for two full years -- 1987 and 1988. Not even Ronald Reagan considered shutting down the Federal Government.

I'd be foolishly flattering myself to think you've had the time to get this far.

Let me just leave you with one final point to bear in mind as you begin your last political journey:

You have more natural ability and public integrity than any political leader since JFK. There is a reason you are in the most important position in the world at what may be one of the most important transformational periods in modern history. You have five more years to carry us into a new millennia of peace and prosperity and progress and 9 1/2 months to show those who would pull us back into the old world of wars and poverty and cynicism why Bill Clinton chose a public life.

1. Recording/notetaking equipment (e.g. tape recorders, notebooks, etc.) should be paid for by and retained in the possession of the First Family.

2. Tapes should be paid for by the First Family.
(Check technology for long-term viability.)

3. Transcriptions of tapes or notes, if made currently, should be paid for by the First Family and done by private citizens, not government employees on private time.

4. Whenever possible, work on these matters should be done in the residence.

5. The material collected during this process should not be used for official or multiple-use purposes or revealed to anyone outside of the process.

6. The results of the work, i.e. tapes, notes, transcripts, should be separately maintained, preferably outside of the White House, and labeled "PERSONAL".

7. Whenever possible, the individuals working with the First Family on these matters, i.e. interviewers, should be private citizens.

8. The individuals working with the First Family on these matters should be bound by written contracts.

x [9. No classified information and/or documents should be disclosed during this process.

10. Although all steps will be taken to protect these materials, there is always the possibility of revelation pursuant to legal process.

11. Obtain a written opinion from the Counsel to the President as to the propriety of these actions.

*Get in
Jen* Mark Grobmyer sends copy of memo to Mack and his statement to the press clarifying his position with regard to recent news articles.

PHOTOCOPY
WJC HANDWRITING

facsimile

transmission

to: President Clinton - c/o Nancy Hanreich
fax no: 202-456-2883
date: 10-21-96
from: Mark Grobmyer
13 pages including cover sheet BTJ Quinn (B)

re:

THE PRESIDENT HAS SEEN
11-20-96

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from:

Copied to
Quinn
B. Lindsey

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WJC HANDWRITING

Mark W. Grobmyer
124 West Capitol, Suite 875
Little Rock, Arkansas 72201
USA
phone: 501-370-9700
fax: 501-376-4410

MEMORANDUM

J. Quinn [BL]

TO: Mack McLarty
FROM: Mark Grobmyer
DATE: October 31, 1996
RE: Recent News Articles

THE PRESIDENT HAS SEEN

11-20-96

Over the last couple of weeks, I have read a few newspaper articles and an article in *Newsweek* magazine that have caused me much confusion. The thrust of the articles, as they relate to me, "report" that I was somehow passing out some kind of White House business card to some people in Asia. As you know, I would never do such a thing. I felt compelled to issue a statement to the press that I think has clarified the matter and I attach a copy of it for you to have.

This explanation points out that since the 1980's I have been a member of the National Advisory Council for the well recognized Center for the Study of the Presidency founded at the suggestion of former President Dwight Eisenhower. In more recent years I have served as the Center's Liaison to the White House. When I am providing volunteer work on behalf of the Center I have used Center for the Study of the Presidency business cards and letterhead. It is my understanding that the Center cleared this position through correspondence with the White House Counsel's office.

My efforts on behalf of the Center relate to helping plan its numerous seminars, symposia, publications, and to undertake other programs to develop support for the Center. On behalf of the Center I visited the White House on numerous occasions to discuss upcoming programs, including the Lecture Series, etc. We are constantly trying to expand the Centers' programs to involve more colleges and universities than the 500-plus that already participate in programs with the Center and we have increased the international focus of the Center (see attached article).

I also wanted to comment briefly on two other matters that have appeared in the press.

The first implied that I may have tried in some way to influence "U.S. policy" toward Indonesia. I absolutely did not do this. I don't even know, nor have I ever known, what the "U.S. policy" is or was toward Indonesia. I certainly did not participate

PHOTOCOPY
WJC HANDWRITING

in any meetings with the President when any "Indonesian policy" issues were discussed, nor have I even heard of any such meetings.

I did make two or three trips to Indonesia, the first being at the invitation of the Asian Bankers Association. I believe the President of the Asian Bankers Association at that time was Mr. Mochtar Riady. At the time, I was Chairman of an American Bar Association Subcommittee on Consumer Banking Services and I was also Chairman of the Greater Little Rock Chamber of Commerce International Economic Development Committee and served on the Chamber Board and Executive Committee. In cooperation with the Arkansas Industrial Development Commission, a "Sister-State" program was being developed which included an educational cooperation program between the University of Arkansas and some of the universities in Indonesia. I believe this also included discussions of ways to exchange medical research information between medical schools.

My last trip to Indonesia was in 1994 and involved witnessing the finalization of a cooperative agreement between the University of Arkansas and educational institutions in Jakarta. On that trip I also met with several representatives of other countries (in town for the APEC Meeting) who I had previously met in connection with several Fulbright Awards programs over the years. You may recall these programs such as the one held in Little Rock in 1993 with the Southern Center for International Studies that involved many of the former United States Secretaries of State.

For what it is worth, I have never invested in Indonesia nor do I engage in any business in Indonesia. Also, I have never solicited contributions for the Democratic National Committee in any country.

I find it remarkable that these stories are apparently widely circulated in the press, but I guess it's an election year.

Arkansas is certainly looking forward to welcoming you and the President back home on your visit election night. Good Luck!

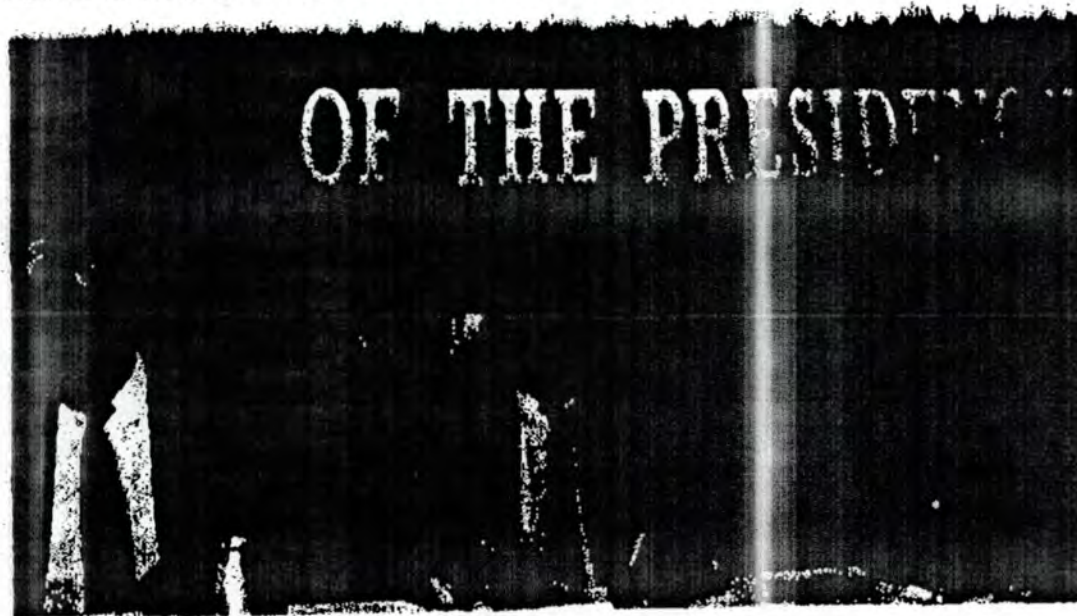
MWG/jl

Enclosure

cc: President Bill Clinton
Vice President Al Gore
Senior Staff

SIXTH ANNUAL BUSINESS LEADERS SYMPOSIUM

On June 18, 1996 at the National Press Club in Washington, D.C. the Center's Sixth Annual Business Leaders Symposium convened from 2:30-4:30 p.m. as a prelude to the Center's Anniversary Awards Dinner. Attended by 200 business and professional leaders, it was televised nationally on CNBC. Announced as the Asia Pacific Economic Cooperation Forum, it was a prelude to the forthcoming November 22-25, 1996 APEC meeting in Manila. After an introduction by Center Chair, R. Gordon Hoxie, the Center's Liaison to the White House, Mark Grobmyer, moderated the session featuring the United States Under Secretary of State, Joan Adelman Spero, the United States Under Secretary of the Treasury, Jeffrey Shafer, Ambassador Arifin Siregor of Indonesia, Deputy Chief of Mission, Victor Gosiengfigo of the Philippines, and Minister Counselor Douglas Waddell of Canada, and Raymond J. Waldmann, Vice President of International Business, The Boeing Company. Mr. Waldmann outlined the importance of APEC to the business community and acknowledged the value of an institution that involves both Asian nations and Western Hemi-



Left to right, Under Secretary of the Treasury, Jeffrey Shafer; Vice President of International Business, The Boeing Company, Raymond J. Waldmann; and Under Secretary of State Joan Adelman Spero speak at the Center's Sixth Annual Business Leaders Symposium.

sphere nations, including Canada, Chile, Mexico, and the United States. The other participants outlined plans for the 1996 Manila Conference and the 1997 Vancouver meeting. Under Secretaries Spero and Shafer traced the development of APEC, beginning with the November

1993 Seattle Meeting, hosted by President Clinton.

The Center's APEC Business Leaders Forum represented the highest level of formal discussion scheduled for the United States on the upcoming APEC Meeting.

MEMORANDUM

FROM: Mark Grobmyer

DATE: October 18, 1996

You may have noticed recently, a few news organizations have printed articles that repeated a misunderstanding that I thought should be clarified to you. This type of article indicated that they believed that I had given a business card or otherwise indicated to someone that I was possibly some type of White House official. As I am sure you know, I have not worked for the White House and would not represent myself as someone who works for the White House.

Such confusion apparently arose because I was appointed several years ago as the Center for the Study of the Presidency Liaison to the White House. I have been involved with the Center for the Study of the Presidency since the 1980's, serving on its National Advisory Council. The Center is chartered as an educational corporation and is headquartered in New York. It is a non-partisan institution whose purpose was inspired by a memorandum from former president Dwight Eisenhower. I am certain that the current administration is well aware of the Center and that I have volunteered assistance on behalf of the Center.

As the attached statement indicates, as the Center's Liaison, I help the regular staff with symposia, conferences and other programs which involve students and other representatives of more than 500 colleges and universities around the world. On behalf of the Center I also solicited support for various Center programs.

Examples of the Center's programs are described in the attached materials.

Since I made the enclosed statement available, certain members of the press have been running articles clarifying the fact that I did not claim to work for the White House but that I am the volunteer Center for the Study of the Presidency Liaison to the White House. Others apparently are not yet aware of this fact.

I wanted you to have this information in case you had been confused to some extent by any of the news articles involved.

Enclosures

STATEMENT

FROM: Mark Grobmyer

Because of my long-standing interest in government and history, I have known of the educational activities undertaken by the Center for the Study of the Presidency. I have been a member of the National Advisory Council of the Center for the Study of the Presidency since the 1980's, and have served as the Center's Liaison to the White House for several years after the president of the Center requested me to serve in this volunteer position. The Center is chartered as an educational corporation and its headquarters is in New York. Its purpose was inspired by a memorandum by former President Dwight D. Eisenhower.

The Center's purpose, broadly stated, is to further understanding of the American Constitutional system of government. Each year the Center sponsors numerous conferences, lectures, symposiums and other forums and publishes a distinguished journal, the Presidential Studies Quarterly and volumes in its Proceedings Series.

Every president since the founding of the Center has worked closely with the Center to help further its purposes. For example, former President George Bush has written of the Center, "Through Center for the Study of the Presidency outstanding lectures, conferences, fellowships, and publications, you continue to play a significant role in promoting greater understanding of the democratic process in our own country and throughout the world."

In my capacity as a member of the Center for the Study of the Presidency National Advisory Council and as Center for the Study of the Presidency Liaison to the White House, I assisted the Center in coordinating symposiums and other programs that involve students and other representatives of more than 500 colleges and universities around the world. In my efforts to help coordinate programs, develop support and represent the Center I found it necessary to utilize a Center for the Study of the Presidency business card so people interested in the Center's programs would have the necessary information to contact me. The card clearly provided that I only represented the Center for the Study of the Presidency

and I only provided such a card to persons I thought may be interested in participating in or supporting the various Center programs.

An example of the Centers' programs for which I have provided volunteer assistance includes the 28th Anniversary Awards Dinner held in Washington, D.C. on June 23rd of 1993. The purpose of the Awards Dinners are to present the Center's Annual Distinguished Leadership Award to the recipients, which that year included Senator Robert Dole, who was one of the recipients honored at the dinner.

Although my Center for the Study of the Presidency business card clearly indicated on the top of the card that it was only a Center for the Study of the Presidency card, if someone may have misinterpreted this fact, I hope this statement will clarify any such misunderstanding. Enclosed is additional information about the Center.

Enclosures

A Quarter Century and More of Distinguished Public Service

1993-94 Annual Report

CENTER FOR THE STUDY OF THE PRESIDENCY



Since its inception in the 1960s, the Center for the Study of the Presidency has reminded us that we must constantly improve upon the practice of government. For it is only in striving to improve that we may maintain our leading presence in a vibrant community of nations.

Throughout its history, the Center has been a beacon for students of American government. Its lectures and conferences have provided forums for spirited debate on a wide range of issues confronting our constitutional democracy. Its fellowship programs have given students from across the country the opportunity to participate in active political discourse, inspiring many to pursue careers of public service.

BILL CLINTON, President of the United States

A Quarter Century and More of Distinguished Public Service

1993-94 ANNUAL REPORT

CENTER FOR THE STUDY OF THE PRESIDENCY

INTRODUCTION: THE THEME AND THE EISENHOWER LEGACY

The theme of this *Annual Report* is both retrospective and prospective. It is recalled by the President's several messages to the Center and his March 17, 1994 meeting with the Center Fellows. Following the publication of last year's *Annual Report*, with its theme, "Democracy in Transition," he wrote the Center June 22, 1993, "As the Center's theme this year aptly recognizes, America faces a critical transition. . . . No longer can we conduct our affairs mindful only of short-term gains. Our position compels us to lead with a broad vision. . . ." As he wrote the Center October 19, 1993, "New ways are needed in order to win peace abroad, improve the economy, reform our health care system, make government more effective and efficient, and address the myriad other challenges we face." Calling upon the Center's help he stated, "I know that the Center's scholarship will be of benefit not only to opinion leaders and government officials but also to the general public." On March 18, 1994, he wrote to the Center, "In a democratic nation, it is imperative that our citizens understand the workings of our government, but also become active participants. The Center for the Study of the Presidency has contributed much to this effort over the past quarter-century, providing remarkable research and educational opportunities. . . ."

Yes, it is a quarter century since R. Gordon Hoxie was inspired by a 1968 memorandum of former

President Dwight D. Eisenhower to transform the New York City based Library of Presidential Papers, founded in 1965, into the Center for the Study of the Presidency. President Eisenhower had expressed concern with the lack of understanding, indeed the lack of research and writing, as related to the institutional presidency. He proposed programs "characterized by accuracy, objectivity and perspective" related to the presidency and public policy for "students old and young" and predicted "the result cannot fail to be good for them and for the Nation."

GOVERNANCE, OBJECTIVES AND PROGRAMS

The Center is a non-partisan, non-profit educational corporation chartered by the Board of Regents of the State of New York. Policy governance is given by a strong Board of Trustees which, by the Education Law of the State of New York, is limited to 25 members. Policy guidance is given by a distinguished National Advisory Council and a learned Board of Editors. All three bodies are noted in this report. The Center's principal offices are in New York City. However, for policy effectiveness the Center also has an office in Washington, D.C.

Dr. Hoxie, an historian and political scientist, university head and Air Force general officer, who had earlier served as an educational aide to President Eisenhower, has served since May 8, 1969



Former Secretaries of State Cyrus R. Vance and Henry Kissinger with Center President Hoxie.

as the Center's President and Chief Executive. The objectives and outreach of the Center are related to needs and opportunities for service both at home and abroad. The objectives include:

1. To secure understanding of the American Constitutional system of government, to build better citizens, better government and better leaders.
2. To provide an objective, non-partisan Center for public policy research.
3. To provide unique educational programs for college and university students as related to public policy and the instruments related thereto, including the Congress, the Courts and the Presidency.
4. To develop a discipline of learning and a body of literature as regards the American Presidency, including understanding of other presidential and parliamentary forms of government.
5. To better relate the business community to

public policy issues, both domestic and foreign.

6. To strengthen democratic institutions both at home and abroad.
7. To build a sense of interdependence and understanding between peoples and nations, recognizing and respecting ethnic and cultural differences.

Most of the Center's basic programs had been initiated before the end of 1970: (1) Annual Leadership Conference; (2) Annual Student Symposium; (3) Fellowship Program; (4) Annual Lecture Series; (5) Publications; (6) Library and Information Center. An Annual Awards Program was added in 1974 and an Annual Business Leaders Symposium in 1991. A program for White House Interns was added in 1993.

Good government and a sound economy are at the heart of the matter in this Center's purpose. So is the enhancement of freedom, peace and

security at home and abroad. What kind of year has it been since the Center's 1992-93 *Annual Report*?

THE YEAR IN REVIEW

The Center's reporting period, April 1993 through April 1994, was again one of productive programs and publications and record support for the Center for the Study of the Presidency. But it was in a world marked by tragic violence in Bosnia, Haiti, Burundi, Rwanda, Somalia, South Africa and the West Bank, threat of nuclear war on the Korean peninsula and repression in China and southeast Asia. It was a year in which the Nation learned that there was no such thing as a domestic president for the world's only superpower.

The reporting period ended with the death of the 37th President of the United States, Richard Nixon, Honorary Co-Chair of the Center, who from its beginning had given it great encouragement. His favorite quotation to the Center's president had been from Hamilton's *Federalist* #70, "Energy in the executive is a leading character in the definition of good government."

TWENTY FOURTH ANNUAL LEADERSHIP CONFERENCE

The 24th Annual Leadership Conference of the Center for the Study of the Presidency convened in Indianapolis the weekend of October 22-24, 1993, with 400 business and professional leaders from throughout the world in attendance. It had as its theme, "Considerations on Domestic and Foreign Policies." Dr. Jeffrey R. Shafer, Assistant Secretary of the Treasury for International Affairs, keynoted the conference with an address on "International Business and the Economy." The thrust of his address was on the importance of the then pending approval of the North American Free Trade Agreement. In the question period he also pointed up the vital particular importance of the East Asian economies, currently the fastest growing in the world. Either Japan or the United States will be their principal trading partner.

United States House of Representatives senior member, Andrew Jacobs, Jr. addressed the Saturday morning session on domestic issues, with Professor David Kozak from the Center's National Advisory Council as the moderator. Jacobs, a Democrat who has served in the House for 27 years, singled out for particular praise the se-



Issue Panel "The Media and Foreign Policy" at 24th Annual Leadership Conference. Indianapolis, October 23, 1993. Left to right: Dr. Louis Liebovich, Associate Professor of Journalism and Media Studies, University of Illinois; Dr. Henry Z. Scheele, Associate Professor of Communications, Purdue University; Center Fellow Samuel C. Ashbaugh (Moderator), Gannon University; Dr. Rita Whillock, Assistant Professor of Communications, Southern Methodist University; and Dr. Betty Winfield, Professor of Journalism, University of Missouri.

nior Republican Senator from Indiana, Richard Lugar, who had been the dynamic young Mayor of Indianapolis during Jacobs early years in the Congress. There followed six issues panels: Building Foreign Policy Agendas; The Media and Foreign Policy; Civil Rights Policies; Managerial Presidency; Philosophical Foundations of Our Democratic Heritage; and The Congress, the Courts and the Presidency. Each was moderated by a Center Fellow and each had three or more distinguished panelists. For example, the last noted had Dr. Broadus N. Butler from the Center's Board of Trustees; Dr. Francis H. Heller, Professor Emeritus of Law and Political Science, University of Kansas; and Dr. Richard A. Watson, Professor Emeritus of Political Science, University of Missouri, Columbia. Lia DeSimone, Center Fellow from Sweet Briar College, served as the moderator of that panel.

Senator Lugar, generally regarded as the most respected authority on American foreign policy in the United States Senate, at the Saturday luncheon delivered a major address: "American Foreign Policy in the Post Cold War Era." He set forth six "rules of the foreign policy game": (1) Tell the truth; (2) Understand, carefully observe and respect, and faithfully uphold the Constitution of the United States; (3) Bring into an administration the most able Americans; (4) Recognize that almost all Americans oppose any semblance of American imperialism and most oppose almost all intervention by this Nation in foreign countries; (5) As a cardinal principle of American foreign policy, encourage American enthusiasm for assisting in the building of democratic institutions — free and fair elections; and civil and human rights; and (6) Do not do secretly what could just as well be done publicly. Lugar concluded that the President "must understand that some of our most successful Presidents in this century were precisely those who were domestic reformers and bold international leaders."

The 65 member Host Committee for the Indianapolis conference arranged a fascinating Saturday afternoon tour beginning with the Benjamin Harrison Home and concluding with Eli Lilly & Company. This was altogether appropriate. President Harrison was featured in the lead article of the Fall 1993 issue of the Center's *Presidential Studies Quarterly*. Eli Lilly was a founding mem-



Center Fellow Thomas Hagen, William Mitchell College of Law; Senator Lugar at the 25th Annual Leadership Conference, March 23, 1994.

ber of the Center and the major pharmaceutical company bearing his name was a leader of the Host Committee through Mitchell E. Daniels, President, North American Pharmaceutical Operations. Other leaders on the Host Committee included Evan Bayh, Governor of Indiana; Theodore M. Hesburgh, President Emeritus, University of Notre Dame (and member of the Center's National Advisory Council); Malcolm W. Applegate, President, Indianapolis Newspapers; Dr. Shirl E. Gilbert, II, Superintendent, Indianapolis Public Schools, who featured the conference throughout the School system; John Mutz, President, Lilly Endowment; and Thomas J. Reiman, President, Ameritech-Indiana which underwrote the participation of Indiana students and teachers. The Host Committee also made possible special events for the 27 Center Fellows and their Counselor, all of whom came the day preceding the conference. They were hosted at lunch by Dr. Daniel A. Felicetti, President, Marist College, and were given special tours ranging from the Indianapolis Speedway to the Indianapolis Fine Arts Museum.

On Saturday evening Admiral Frank Kelso II, member of the Joint Chiefs of Staff and Chief of Naval Operations, addressed "Interdependence, Security and Strategy." There were five Sunday morning issue panels: The Media and Domestic Policy; Congress and Domestic Policy; American Diplomacy and Security Policy; and



At the 24th Annual Leadership Conference in Indianapolis, October 21, 1993. From left to right: Center Fellow Marta Ferrer, The George Washington University; Center Counsellor Larry Smith, Williams College; and Center Fellow Elizabeth Malek-Zadeh, Virginia Polytechnic Institute and State University.

Economic Challenges and Interdependence. This was followed by the concluding plenary session, "Media Considerations on the National Agenda." Featured were Kerry Brock, Director of Broadcasting and Programming, Freedom Forum, First



Dr. Carolyn Thompson, Professor of Political Science, University of North Carolina at Charlotte, participating in panel on Congress and Domestic Policy in 24th Annual Leadership Conference, October 24, 1993.

Amendment Center at Vanderbilt University; Charles Corddry, Defense Correspondent, *The Baltimore Sun*; Thomas C. Griscom, former White House Director of Communications; and George Stuteville, Washington Correspondent, *The Indianapolis Star*.

The Conference and the Center were greeted with great enthusiasm. Superintendent Gilbert wrote of "the important work which you do on behalf of all American citizens to help ensure an understanding of the democratic process particularly as it relates to the Presidency." Center Fellow Leonardo C. Alves from Brazil, expressed the sentiment of all the Fellows when he wrote "The tour around Indianapolis . . . was surprisingly exciting. The Conference was great! I was especially interested in Dr. Shafer's speech about NAFTA, and Senator Lugar's remarks on Foreign Policy. Also Representative Andrew Jacobs' spontaneous address was very impressive."

TWENTY FIFTH ANNUAL STUDENT SYMPOSIUM

The landmark 25th Annual Student Symposium which convened in Washington, D.C. March 18-20, 1994 had a record 900 participants from all 50 states, Canada, Latin America, plus smaller numbers from other continents. It had as its theme, ISSUES '94 and was deemed, in hundreds of voluntary evaluations, as outstanding. Much of the credit is again due to the cordial cooperation of the Clinton Administration, led by Alexis Herman, Assistant to the President and Director of Public Liaison. Again, as in prior years, the program was the more effective through the pre-symposium distribution of an extensive study guide prepared by Dr. David C. Kozak, Professor of Public Policy, Gannon University.

As in prior years there was on Friday, March 18th, an optional activity program, which was elected by nearly one-half of the symposium participants. It began with the impressive one hour and fifteen minute foreign policy briefing and question period at the Department of State with Ambassador Genta Hawkins Holmes, Director General of the Foreign Service. For the first time since it