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JUNE 1996

Divider Title: _____

**THE TRIP OF
THE PRESIDENT
TO
PRINCETON, NEW JERSEY**

June 4, 1996

Staff Copy

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Tuesday, June 4, 1996

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To be forwarded

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New Jersey Background

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Distributed
Separately

SCHEDULE OF THE PRESIDENT

FOR

TUESDAY, JUNE 4, 1996

FINAL

APPOINTMENT SCHEDULER:

STEPHANIE STREETT

HOME: 202-332-5651

OFFICE: 202-456-2823

WHCA PAGER: 4033

CELL PHONE: 202-494-9855

TRIP COORDINATOR:

(Commencement Address at Princeton University)

(Events - Trenton, New Jersey)

NICOLE ELKON

HOME: 202-332-2350

OFFICE: 202-456-6481

WHCA PAGER: 4793

EVENT COORDINATOR:

(Dinner for the Democratic National Committee)

(Remarks to the Small Business Week Dinner)

LAURA GRAHAM

HOME: 703-212-7642

OFFICE: 202-456-2349

WHCA PAGER: 4809

PRESS DESK:

ANNE EDWARDS

HOME: 301-565-3101

OFFICE: 202-456-2921

WHCA PAGER: 4208

WEATHER:

Washington, DC

Partly cloudy with chance of evening rain showers.

Wind northeast at 8 to 13 knots. Low 60 to 65.

High 77 to 82.

Princeton, New Jersey

Partly cloudy with a chance of afternoon rain showers.

Wind southeast at 10 to 15 knots. Low 59 to 64.

High 76 to 81.

**SCHEDULE OF THE PRESIDENT
FOR
TUESDAY, JUNE 4, 1996
FINAL**

NOTE: Staff vans depart from West Executive Drive at 7:20 am.

tba

MORNING RUN

8:00 am

THE PRESIDENT proceeds to the South Lawn

Note: This departure is closed to staff and guests.

8:05 am

THE PRESIDENT departs the White House via Marine One en route
Andrews Air Force Base
[flight time: 10 minutes]

8:15 am

THE PRESIDENT arrives Andrews Air Force Base

8:30 am

THE PRESIDENT departs Andrews Air Force Base via Air Force
One en route Mercer County Airport, Trenton, New Jersey
[flight time with an interchange: 55 minutes]

9:25 am

THE PRESIDENT arrives Mercer County Airport, Trenton, New
Jersey
OPEN PRESS
CLOSED PUBLIC

Greeters:

State Senator Dick LaRossa
State Assemblywoman Shirley Turner
State Assemblyman Reed Gusciora
Ann Cannon, Freeholder, Mercer County
Anthony Carabelli, Freeholder, Mercer County
Keith Hamilton, Freeholder, Mercer County
James McManimon, Freeholder, Mercer County
Patrick Migliacio, Freeholder, Mercer County
Robert Prunetti, Executive, Mercer County
Samuel Plumeri, Jr., Sheriff, Mercer County
Mayor Marvin Reed, Princeton Borough
Roger C. Martindell, Council, Princeton Borough
Mark E. Freda, Council, Princeton Borough
Arthur M. Saylor, III, Council, Princeton Borough
David Goldfarb, Council, Princeton Borough
Phyllis Marchand, Deputy Mayor, Princeton Township
Carl Mayer, Committeeman, Princeton Township

9:40 am

THE PRESIDENT departs Mercer County Airport, Trenton, New Jersey via motorcade en route Princeton University
[drive time: 20 minutes]

10:00 am

THE PRESIDENT arrives Princeton University

Greeters: President Harold Shapiro, Princeton University
Vivian Shapiro
Robert H. Rawson, Jr., Member, Board of Trustees, Princeton University
George Whitesides, Co-President, Class of '96
Susan Suh, Co-President, Class of 96
Alan Blinder, Professor, Princeton University
Madeline Blinder

10:05 am-

10:15 am

GREET UNIVERSITY OFFICIALS AND ROBIN

PRESIDENT'S OFFICE - NASSAU HALL

Princeton University

Staff Contact: Don Baer

Event Coordinator: Nicole Elkon

CLOSED PRESS

- **The President**, accompanied by Harold Shapiro, President, Princeton University, enters the room.
- President Harold Shapiro presents a book, entitled, Princeton, The First 250 Years, to the **President**.
- **The President** accepts the book and thanks President Harold Shapiro.
- **The President** departs.

10:20 am-

10:30 am

OFFICIAL PHOTOS WITH HONORARY DEGREE

RECIPIENTS, SECONDARY TEACHING AWARD

RECIPIENTS AND PRINCETON UNIVERSITY FACULTY

AWARD RECIPIENTS

THE FACULTY ROOM - NASSAU HALL

Princeton University

Staff Contact: Don Baer

Event Coordinator: Nicole Elkon

CLOSED PRESS

- **The President** poses for a photograph with each group.

10:40 am-
12:50 pm

**PRINCETON UNIVERSITY COMMENCEMENT CEREMONY
THE COURTYARD, NASSAU HALL**

Princeton University

Remarks: Jonathan Prince

Staff Contact: Don Baer

Event Coordinator: Nicole Elkon

OPEN PRESS

- The commencement ceremony begins with the processional.
- The invocation is given by Dean Joseph Williamson.
- President Harold Shapiro makes welcoming remarks.
- The Latin Salutatory Oration is delivered by Charles Parker Stowell, 1996 graduate, Princeton University.
- The Secondary Teaching Prizes are awarded by Jeremiah Ostriker.
- The undergraduate degrees are awarded by President Harold Shapiro.
- The Valedictory Oration is delivered by Bryan Patrick Duff, 1996 graduate, Princeton University.
- The advanced degrees are awarded by President Harold Shapiro.
- The President's Distinguished Teaching Awards are awarded by Amy Gutmann, Dean of Faculty, Princeton University.
- The Honorary Degrees are awarded by Robert H. Rawson, Member, Board of Trustees, Princeton University.
- President Harold Shapiro introduces **the President**.
- **The President** delivers the commencement address.
- The benediction is given by Dean Joseph Williamson.
- The Alma Mata, "Old Nassau" is sung by all.
- **The President** departs.
- The commencement ceremony concludes with the recessional.

12:50 pm **THE PRESIDENT** departs Nassau Hall via motorcade en route Prospect House
[drive time: 5 minutes]

12:55 pm **THE PRESIDENT** arrives Prospect House

NOTE: The staff hold is room A in Prospect House.

12:55 pm- **DOWN TIME**
1:25 pm ROOM F - PROSPECT HOUSE
Princeton University

1:30 pm- **RECEPTION WITH HONORARY DEGREE**
2:15 pm **RECIPIENTS AND UNIVERSITY TRUSTEES**
TENT - PROSPECT HOUSE
Princeton University
Remarks: Russell Horwitz
Staff Contact: Don Baer
Event Coordinator: Nicole Elkon
CLOSED PRESS

- Off-stage announcement of **the President** and President Harold Shapiro, Princeton University.
- President Harold Shapiro presents **the President** with a commemorative medal from the 150th Anniversary of Princeton University, a t-shirt commemorating the 249th commencement and a crystal paperweight.
- **The President** accepts the gifts and makes remarks.
- Upon conclusion of remarks, **the President** works a ropeline and departs.

2:20 pm- **BRIEFING FOR INTERVIEW**
2:40 pm ROOM F - SECOND FLOOR PROSPECT HOUSE
Princeton University
Staff Contact: Michael McCurry

2:45 pm- **INTERVIEW WITH JIM FALLOWS AND BILL SCHNEIDER**
3:15 pm **OF ATLANTIC MONTHLY**
ROOM E - PROSPECT HOUSE
Princeton University
Staff Contact: Michael McCurry
Event Coordinator: Nicole Elkon
CLOSED PRESS

3:20 pm-
3:30 pm

POLICE/VOLUNTEER PHOTOS
HALLWAY - PROSPECT HOUSE
Princeton University

3:35 pm-
3:45 pm

OFFICIAL PHOTOS WITH THE PRINCETON UNIVERSITY
MEN'S NCAA CHAMPIONSHIP LACROSSE AND WOMEN'S
NCAA CHAMPIONSHIP RUGBY TEAMS
COURTYARD - PROSPECT HOUSE
Princeton University
Staff Contact: Alexis Herman
Event Coordinator: Nicole Elkon
STILLS ONLY

- **The President**, accompanied by Harold Shapiro, President, Princeton University, enters the courtyard.
- Representatives from each team will present **the President** with team shirts and hats.
- **The President** accepts the gifts and poses for a group photograph with each team.
- Upon conclusion of the photographs, **the President** departs.

3:50 pm

THE PRESIDENT departs Princeton University via motorcade en route Mercer County Airport
[drive time: 20 minutes]

4:10 pm

THE PRESIDENT arrives Mercer County Airport

4:25 pm

THE PRESIDENT departs Mercer County Airport via Air Force One en route Andrews Air Force Base
[flight time with an interchange: 55 minutes]
OPEN PRESS
CLOSED PUBLIC

5:20 pm

THE PRESIDENT arrives Andrews Air Force Base

5:30 pm

THE PRESIDENT departs Andrews Air Force Base via Marine One en route the White House
[flight time: 10 minutes]

5:40 pm

THE PRESIDENT arrives the White House

5:45 pm-
6:55 pm

DOWN TIME
RESIDENCE

7:00 pm **THE PRESIDENT** departs the White House via motorcade en route the Sheraton Carlton Hotel
[drive time: 5 minutes]

7:05 pm **THE PRESIDENT** arrives the Sheraton Carlton Hotel

Greeter: Don Fowler, Chairman, Democratic National Committee

7:10 pm-
8:10 pm **DINNER FOR THE DEMOCRATIC NATIONAL COMMITTEE**
THE STATE SALON

The Sheraton Carlton Hotel

Staff Contact: Doug Sosnik

Event Coordinator: Laura Graham

CLOSED PRESS

- **The President**, accompanied by Don Fowler, Chairman, Democratic National Committee, enters the room, greets guests and proceeds to his seat at the table.
- Don Fowler makes brief opening remarks and introduces **the President**.
- **The President** makes brief remarks and opens an informal discussion with guests.
- Upon conclusion of the discussion, **the President** departs.

8:15 pm **THE PRESIDENT** departs the Sheraton Carlton Hotel via motorcade en route the Capital Hilton Hotel
[drive time: 5 minutes]

8:20 pm **THE PRESIDENT** arrives the Capital Hilton Hotel

Greeters: Phil Lader, Administrator, Small Business Administration
Ginger Lew, Deputy Administrator, Small Business Administration

8:25 pm-
9:05 pm

**REMARKS TO THE SMALL BUSINESS WEEK DINNER
PRESIDENTIAL BALLROOM**

The Capital Hilton Hotel

Staff Contact: Steve Silverman

Event Coordinator: Laura Graham

POOL PRESS

- Off-stage announcement of **the President** and Phil Lader, Administrator, Small Business Administration.
- Phil Lader makes opening remarks and introduces **the President**.
- **The President** makes remarks.
- Upon conclusion of remarks, **the President** works a ropeline and departs.

9:10 pm

THE PRESIDENT departs the Capital Hilton Hotel via motorcade en route the White House
[drive time: 5 minutes]

9:15 pm

THE PRESIDENT arrives the White House

BC AND HRC RON

THE WHITE HOUSE

THE WHITE HOUSE

WASHINGTON

June 3, 1996

COMMENCEMENT ADDRESS TO PRINCETON UNIVERSITY

DATE:	June 4, 1996
LOCATION:	Princeton University
TIME:	10:00am
FROM:	Don Baer

I. PURPOSE

To deliver the commencement address to Princeton University.

II. BACKGROUND

Commencement

This is Princeton's 250th anniversary, and the 100th year it has been known as Princeton University, formerly the College of New Jersey. Prior to the commencement you will meet with a number of Trustees and other University dignitaries, and have photographs taken with a number of ceremony participants.

There are roughly 1,100 seniors graduating.

A band called Concerto Soloists will play during the processional and recessional.

Senator Bill Bradley '65 spoke at the Baccalaureate service on Sunday.

III. PARTICIPANTS

President Harold T. Shapiro will be with you for the entire day.

IV. PRESS PLAN

On the record.

V. SEQUENCE OF EVENTS

Greet trustee and robing

- **The President** will be greeted by President Shapiro
- President Shapiro will escort you to the President's office in Nassau Hall.
- **The President** will be given a copy of the book, *Princeton, the First 250 Years*, by David Oberdorfer.
- There you will meet the people listed below, and will be invested with your robe.

Attendees:

- President Shapiro. He is formerly the president of the University of Michigan.
- Vivian Shapiro, the President's wife. Her Ph.D. in social work is from Smith.
- Robert H. Rawson, Jr. '66, Trustee: Mr. Rawson was a Rhodes Scholar, and now runs the Cleveland office of Jones, Day, Reavis & Pogue.
- Alan and Madeleine Blinder
- George Whitesides, Class of 1996 co-president
- Susan Suh (pronounced "Sue"), Class of 1996 co-president

Photographs with Honorary Degree Recipients, Winners of the Secondary Teaching Awards, and Distinguished Faculty Teaching Awards

- The President will proceed to the Faculty Hall in Nassau Hall for photographs.

Honorary Degree Recipients:

- **The President**, Doctor of Laws.
- *Sir Robert McCredie May, Doctor of Science.* Sir May was a member of the Princeton faculty from 1973 to 1988, starting as a professor of biology. In 1995, he was appointed to Britain's senior science policy post, chief scientific advisor and head of the Office of Science and Technology. {Sydney University (B. Sc., 1956); City University, London (Ph.D., 1959)}.
- *George A. Miller, Doctor of Science.* Professor Miller taught at Princeton from 1979 to 1990. He is a psycholinguist. {University of Alabama (B.A., 1940; M.A., 1941); Harvard University (A.M., 1944; Ph. D., 1946)}.
- *Ruth J. Simmons, Doctor of Laws.* Ruth Simmons was installed as the ninth President of Smith College in 1995. From 1983 to 1990 she was Associate Dean of the Faculty at Princeton, and was the Vice Provost there from 1992-1995. {Dillard University (B.A., 1967); Harvard University (A.M., 1970; Ph. D., 1973)}.
- *Toshiko Takaazu, Doctor of Fine Arts.* Ms. Toshiko was born in Hawaii to Japanese parents from Okinawa. She is a ceramist, weaver and painter. She taught at Princeton for 25 years, retiring in 1992. {University of Hawaii (1948-51); Cranbrook Academy of Art (1951-54)}.
- *LeRoy T. Walker, Doctor of Laws.* Dr. Walker is the President of the U.S. Olympic Committee. {Benedict College (B.A., 1940); Columbia University (M.S., 1941); New York University (Ph. D., 1957)}.

Secondary Teacher Awards, given each year to four outstanding teachers from secondary schools in New Jersey:

- These will be presented by Jeremiah Ostriker, the Provost of Princeton University.
- Franklin Garrett, Clearview High School, Mulica Hill. Art teacher.
- John Penna, Governor Livingston Regional High School, Berkeley Heights. Chemistry teacher.
- Richard Lawrence Peterson, Bloomfield Middle School. Special needs teacher.
- John Sauerman, Lawrenceville School. History teacher.

Distinguished Faculty Teaching Awards:

- The Teaching Awards will be presented by Amy Gutmann, the Dean of the Faculty.
- David Billington, Professor of Civil Engineering and Operations.
- James Rankin, Senior Lecturer in German Languages and Literatures.
- Shirley Tilghman, Howard A. Prior Professor in the Life Sciences and Professor of Molecular Biology.
- David Wilkinson, Cyrus Fogg Brackett Professor of Physics.

Procession and Commencement Ceremony

- **The President** will be at the end of the processional which begins the commencement ceremony.
- **The President** will be escorted by Robert P. Hauptfuhrer '53, trustee. He is the retired Chairman and C.O.O. of Oryx Energy Co. {Princeton, 1953. Harvard M.B.A., 1957}.
- The invocation is given by Dean Williamson.
- President Shapiro makes welcoming remarks.
- A Latin Salutatory is given by Charles Parker Stowell (pronounced "Stole"), a senior and classics major from Maryland.
- The Secondary Teaching Prizes are awarded.
- The undergraduate degrees are awarded.
- The Valedictorian, Brian Patrick Duff, a psychology major from Florida, gives remarks.
- The advanced degrees are awarded.
- The President's Distinguished Teaching Awards are given.
- The Honorary Degrees are awarded.
- President Shapiro introduces **the President**.
- **The President** delivers the commencement address.
- The benediction is given by Dean Williamson.
- **The President** departs from the back of the stage, to the motorcade, with President Shapiro.
- The commencement ceremony concludes with the recessional.

VI. REMARKS

To be provided by speechwriting.

6/3/96 9:00pm

**PRESIDENT WILLIAM J. CLINTON
COMMENCEMENT ADDRESS
PRINCETON UNIVERSITY
PRINCETON, NEW JERSEY
JUNE 4, 1996**

President Shapiro; members of the faculty; alumni; parents and friends; and especially the graduates of the Class of 1996: It is my great pleasure to join you in celebrating Princeton's first 250 years. President Shapiro, I want to thank you for your distinguished service to higher education in America. And I especially want to thank Princeton for its long and noble service to our nation. I have the pleasure to work with some of the sons and daughters of Princeton who serve America today. Mike McCurry, my press secretary, sat in those seats in 1976. I'm sure Princeton helped Mike to hone his ability to think quick ... and talk fast. Laura Tyson, the Chair of the National Economic Council, is a former Princeton professor ... and Mike's thesis advisor. Tony Lake, Bruce Reed, and John Hilley are all senior members of my staff who graduated from Princeton. And I know you have rigorous standards at Princeton, but if any of the facts in this speech are wrong, they were checked by your classmate, Jon Orszag.

I am especially pleased to be here at Princeton today. For at every pivotal moment in American history, Princeton, its leadership, and its students have played a crucial role. Many of America's founding fathers can be counted among Princeton's first sons. The very hall behind me was occupied by the British in 1776, liberated by the army of George Washington in 1777, and sanctified to American history forever by the deliberations of the Continental Congress in 1783.

The last time there was a Class of '96, Princeton celebrated its 150th anniversary. In a speech that year, Professor Woodrow Wilson gave this university its motto: "Princeton in the Nation's Service." He said, "Today we must stand as those who would count their force for the future. Those who made Princeton are dead; those who shall keep it and better it still live -- they are even ourselves." What he said about Princeton 100 years ago applied then to America, and it applies to America even more today.

At the time of that speech, America was living through a period of enormous change. The Industrial Age brought incredible new opportunities and great new challenges. Princeton, through Wilson and his contemporaries, was at the center of efforts to master these powerful forces of change to benefit all Americans and to protect our time-honored values. And less than three years after he left this campus, Woodrow Wilson became the President of the United States; he followed Theodore Roosevelt as the leader of America's response to that time of change -- which we now know as the Progressive Era.

Today, on the edge of a new century, all of you, our Class of '96, are living through another time of great change. Powerful forces are changing forever the jobs to which we go, the neighborhoods in which we live, and the institutions upon which we depend. For many Americans this is a time of enormous opportunity. For others, it is a time of insecurity as

they wonder whether their old skills and enduring values are up to the challenges of the new century.

My fellow Americans: In 1996, like 1896, we stand at the dawn of a new age -- an age of possibility. A revolution in information and technology is sweeping a world no longer divided by the Cold War, increasingly drawn together by global markets.

Consider this: There is more computer power in the Ford Taurus you drive to the supermarket than there was in Apollo 11 when Neil Armstrong took it to the moon. Nobody who wasn't a high-energy physicist had even heard of the World Wide Web when I became President, and now even my cat Socks has his own page. By the time a child born today is old enough to read, over 100 million people will be on the Internet. The entire structure of the world economy is changing. Distance collapses and differences dissolve. In Tokyo today a consumer can drive to work in a Chrysler Jeep, talk with a friend on a Motorola phone, snack on an apple from Washington state, and have American rice for dinner. Of course, a Japanese speaker could say the same thing about an American using all Japanese products, but at least we can both tell the same story now.

The age of possibility means that more Americans than ever before will be able to breathe life into their dreams, and build the lives of which they dream. For all of you, this age of possibility will actually be an age of probability ... in large measure because of the excellent education you celebrate today. But America's mission must be to ensure that all our people have the opportunity to live out their dreams in a nation that remains the world's strongest force for peace, freedom and prosperity and remains committed to national unity based on personal responsibility and respect for diversity.

For 220 years, opportunity for all and the freedom to seize it have been defining ideals for America. Of course, they have not always been perfectly realized. But our history is a steady march of a nation striving to live up to these ideals.

When I took office, Washington led us toward the future with uncertain steps. The deficit had skyrocketed; unemployment was high; job growth was weak. I was determined to chart a new course. We put in place a comprehensive strategy for economic growth. First, to put our economic house in order so that private business could prosper. Second, to tap the full potential of a new global economy through open and fair trade. And third, to invest in our people so they have the capacity to meet the demands of the new economy.

Our strategy is in place, and working. We cut the deficit in half, and reduced the size of the federal government by over 230,000 workers -- the smallest in 30 years. We have signed over 200 trade agreements -- exports are at an all time high. We gave a tax cut to 15 Million of the hardest-pressed working families. The American people have created 8.5 million new jobs. The combined rate of inflation, unemployment, and mortgages is the lowest in 3 decades. Americans have bought 3.7 Million new homes, and started a record number of new small businesses in each of the last three years.

We are doing well, but we must do better. If America grows faster, incomes will

grow faster, businesses will grow faster, and more of our people will have more chances to live out the American Dream.

Some people ask, "How much faster can America grow?" The answer is ours to decide. If we look to the long-term, if we believe in our people, if we give them opportunity and demand they take responsibility, then I say: the sky is the limit.

But we must look with the greatest skepticism at simple solutions that promise the easy way. We know the course that leads to long-term high growth -- we are on that course; we must expand it; and we must not veer from it.

How will we go forward? First, a real growth strategy must finish the job we started in 1993 and balance the budget. It is wrong to leave our children a legacy of debt. But balancing the budget also keeps interest rates down now, and helps increase savings now. Large corporations can expand, and small businesses can start. Families can buy homes, and parents can send their children to college. We must not turn away from the responsible course towards a balanced budget.

Second, a real growth strategy must continue the fight for open and fair trade. We know the fastest growing economies are the most open economies. And we know that when American workers and American companies have the chance to compete, we do not take second place. But we also know that if America's markets are open to the world, then America has a right to demand that the world's markets are open to our products.

Third, a real growth strategy must do more to help all Americans deal with economic change in a positive way: by investing in the future, and by targeted tax cuts to help Americans invest in their own lives. We will never sustain high growth for the long-term unless all Americans have a chance to share in the benefits of the new economy. We need to reward work and boost incomes, by protecting the Earned Income Tax Credit and raising the minimum wage. We need to give middle-class families tax cuts to help buy a first home, cope with health emergencies, and pay for education. And we have to make sure that a change in jobs is a chance to move up, not a threat to basic security. People should have health care, pensions and training they can take with them when they move from job to better job.

Fourth, and in many ways most important, is education. It is the key to faster growth, increased productivity, and greater equality. Education has always been important. But today education is the fault line, the great continental divide, that separates those who will prosper and those who cannot. If all Americans have access to it, education will be the sturdy bridge that leads from the old economy to the new.

In our first two centuries, America led the world because we made the most of first, the natural resources we were blessed with, and then, our unmatched capacity for mass production in the Industrial Age. **The mind is the great natural resource of the next American century.**

That is why we have worked hard to help schools set high standards and have high expectations. We have worked to keep schools safe and drug-free. I have challenged the states to dismantle the barriers that discourage the most talented people from becoming teachers, to find ways to reward the best teachers, and to find a fair process to make it easier to remove those who do not measure up.

We are working to give every child access to a computer, good software, trained teachers, and the Internet. This spring, the Vice President and I helped kick off NetDay in California where school, business, and civic leaders have already wired [20] percent of the schools. I'm pleased to announce today that a partnership of high-tech companies, parents, teachers and students, are launching NetDay New Jersey to connect over 1000 schools by this time next year.

But we must do more, as America always has when we have realized our people needed more education to get ahead. At the turn of the century, the Progressives made it the law of the land for every child to be in school. After World War II, with a new world of opportunity beckoning, we said 10 years was not enough -- that public schools should extend for 12 years. The G.I. Bill and college loans threw open the doors of college to the sons and daughters of farmers and factory workers -- and they have powered our economy ever since. Colin Powell, Bob Dole [business leaders to come] and I all have one thing in common: America helped us go to college.

America knows that higher education is the key to the growth we need to lift our country. Today, that is more true than ever. Of the 8.5 million jobs created in the last three years, half of them have been managerial and professional. Fifteen years ago, the typical worker with a college degree made 38 percent more than a worker with a high school diploma. Today, that typical college-educated worker makes 73 percent more than the high school worker. But we know that finishing two years of college means a 20 percent increase in earnings. Higher education is the key to a successful future in the 21st century. America has the best higher education in the world. We don't need to change it -- we need to make it available for all Americans.

Our goal must be nothing less than to make the 13th and 14th years of education as universal as the first 12. To meet this challenge, my Administration has put in place an unprecedented college opportunity strategy: Student loans directly to the people who need them. AmeriCorps, which by next year will have given 75,000 young people the chance to earn their way through college by serving their country. Scholarships for deserving students -- more every year in my budget. We have proposed to go even further: Expanding work-study so one million students can work their way through college by the year 2000. Letting people use money from their IRA to help pay for college. A \$1,000 merit scholarship for the top 5 percent of every high school. I have called on colleges to keep costs down.

We must always raise our sights. As we enter a new century, we must make 14 years of education the standard for every American. I want Congress to pass a \$10,000 tax deduction to help families pay for education after high school. But we must do more, because we know our country needs every American to have at least two years of education

after high school.

Today, I am announcing a new plan to complete our college strategy, and make two years of college as universal as four years of high school. The right way to do it is to give families a tax cut, targeted to achieve our national goal. And as we create this opportunity, we must make it clear that there is a responsibility to make the most of it. We must say to anyone in America who wants to go to college: We will give you a tax cut to pay the cost of tuition at the average community college for your first year. We will give you the same tax cut for the second year, but only if you earn it, by getting a B average the first year.

A tax deduction for families to help them pay for education after high school. A tax cut for individuals to guarantee the first year of college, and the second year if you earn it. This tax cut isn't just for individuals though; it's for our whole country. America is stronger when more Americans go to college.

If you're in high school, we will say: Stay in school, work hard, and go to college. If you're in your twenties and already working, but can't move ahead on a high school diploma: Go to college. If you're a mother planning to go back to work but you're afraid you don't have the skills to get a good job: Go to college. If you're 40 and worried that you need more education to support your family, we will say: Go part-time, go at night, but by all means, go to college.

I know this works. When I was Governor of Arkansas, we created Academic Challenge Scholarships -- given only to students who make a good average, stay in school, and stay off drugs. And today's proposal builds on the enormously successful HOPE Scholarships in Georgia, which guarantee any student in the state free college so long as they earn a B average. This year, HOPE scholarships are helping 80,000 Georgia students -- including 70% of the freshman class at the University of Georgia. In recognition of Georgia's leadership, I want to call my proposal "America's Hope Scholarships." I am pleased that Georgia Governor Zell Miller is here with us today. I challenge all states in America to follow his leadership -- Georgia's leadership -- and make four years of college possible for all Americans.

Money doesn't grow on trees in Washington. That is why I have put forward enough spending cuts in my balanced budget plan to pay for this. We must not go back to the days of something for nothing. The era of big government is over, and so is the era of big deficits. This plan is targeted and it is paid for -- and no tax cut will do more to raise incomes and spur economic growth over the long haul than one designed to help people go to college.

This proposal will do three things: First, it will open the doors of college opportunity to every American, regardless of their ability to pay. With this plan as the capstone to our college strategy, education at a typical community college will be free. Second, it will offer free education and training to every adult willing to work for it. No one in America need be stuck in a deadend job or in a rut of unemployment. Finally, this plan will work because the people who get this help are going to have to work for it. It is rooted in America's most

basic bargain: We as a nation will create more opportunity, but if and only if our people take responsibility to make the most of their own lives.

We must never forget it is that basic bargain which has always brought us together as a community, as a country. No generation of Americans understood that better than the generation represented by a special group here today -- the Class of 1946, celebrating its 50th reunion. When you laid down your studies to take up arms, you took the ultimate responsibility for the future of your nation and your world. And when you returned, a grateful nation did everything it could to create opportunity for all of you. And we can all attest to the fact that you made the most of it.

The ultimate lesson the Class of 1946 teaches the Class of 1996 is this: You will do well, because America does well. You must never be satisfied with an age of probability only for the sons and daughters of Princeton. You could go your own way, in a society that so often seems like it's coming apart. You have the ability to succeed in this economy; and you could secede from the America trapped in the old economy. But you must not secede from our common purpose. You must engage on our common ground. You must follow the example of the Class of 1946, who sacrificed for America like no other generation in history, and built the future you live in. Your blessing is an obligation -- to help ensure that the promise of this age is made real for all the sons and daughters of America.

In 1914, President Wilson wrote: "The future is clear and bright with promise of the best things. We are all in the same boat, and we now know the port for which we are bound. We have a common discipline of patriotic purpose. We shall advance, and advance together, with a new spirit, a new enthusiasm, a new cordiality of spirited cooperation."

The Class of 1946 stands halfway between the day Woodrow Wilson called Princeton to the nation's service and this day on which you graduate. They built a future that lived up to the promise of his words. We can do no less. That is the spirit that must guide America as we march together, across the bridge that will lead through the age of possibility to a future of greatness. Thank you, God bless you, and God bless America.

THE WHITE HOUSE

WASHINGTON

June 3, 1996

**RECEPTION WITH HONORARY DEGREE RECIPIENTS
AND UNIVERSITY TRUSTEES AT PRINCETON UNIVERSITY**

DATE:	June 4, 1996
LOCATION:	Tent outside Prospect Hall, Princeton University
TIME:	1:30pm
FROM:	Don Baer

I. PURPOSE

To give brief remarks and shake hands with approximately 200 dignitaries from the Princeton commencement.

II. BACKGROUND

This reception will give some of Princeton's elite, along with a number of White House staffers and/or their relatives, a chance to see you in a more intimate setting.

You will be presented with two gifts at the reception:

Gold Commencement Coin

The commemorative medal is from the 150th anniversary. It says in Latin: "That which was formerly the College of New Jersey having completed 150 years, now as Princeton University looks upon a new century." Woodrow Wilson was President then.

Princeton T-shirt

The t-shirt was designed to commemorate the 249th commencement, on June 4, 1996, showing campus buildings named for U.S. Presidents.

III. PARTICIPANTS

The President

President Shapiro

Trustees

Other Princeton dignitaries

White House staff/friends

- Jon Orszag works at the White House for the National Economic Council, and is receiving his undergraduate degree from Princeton today.

IV. PRESS PLAN

Closed to the press.

V. SEQUENCE OF EVENTS

- **The President** will be escorted from the hold to the tent outside by President Shapiro.
- Off-stage announcement of **the President**, accompanied by President Shapiro.
- **The President** is presented with a gold commencement coin and a Princeton t-shirt from the commencement.
- **The President** gives brief remarks.
- **The President** works a ropeline and departs.

VI. REMARKS

To be provided by speechwriting.

96 JUN 3 18:31

**PRESIDENT WILLIAM J. CLINTON
RECEPTION WITH HONORARY DEGREE RECIPIENTS
AND UNIVERSITY TRUSTEES
PRINCETON UNIVERSITY
JUNE 4, 1996**

Acknowledgments. President Harold Shapiro, Tom Wright (Vice President and Secretary), Anne Halliday (Assistant to the President), Bob Durkee (Vice President for Public Affairs)

Thank you. Thank you so much for these wonderful gifts. As President Shapiro was making his presentation, I noticed that my Press Secretary's eyes were larger than usual. I think I'm going to have to place these keepsakes in a highly visible place back at the White House.

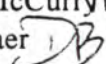
The challenges ahead. As inscribed on this commemorative coin, Princeton, much like the rest of the country, "look[ed] upon a new century" in 1896. As America rose to meet the challenges of a new century, Princeton helped cultivate a generation of Americans ready to lead our country confidently into the future. As I look across this room today, I see another group of Americans -- high school teachers, university professors, businessman, artists and graduates -- who are working in our schools, neighborhoods and workplaces to make America stronger and healthier as we look towards a new century.

Congratulations. Once again, I want to congratulate the honorary degree recipients and the graduating students on this very special day. You have reason to be proud of your commitment and achievements. I'm honored to be part of such a distinguished group.

THE WHITE HOUSE
WASHINGTON

June 3, 1996

INTERVIEW WITH *THE ATLANTIC MONTHLY*

DATE: June 4, 1996
LOCATION: Prospect House
Princeton University
TIME: 2:45 p.m.
FROM: Mike McCurry 
Don Baer 

I. PURPOSE

You will meet with Jim Fallows, Bill Schneider, and Bill Whitworth of *The Atlantic Monthly*. They will ask you about your long-range economic plans. This interview will be printed alongside an interview they will conduct with Senator Dole.

II. BACKGROUND

The interview will center on your long-term economic goals. Some of the topics that might be discussed include: entitlements, inflation, and job creation, along with the role of the government in the economy as we head into the next century.

You interviewed with Fallows and Schneider in Little Rock in the summer of 1992. This interview was published in the October 1992 issue of the magazine, two months after a similar interview with then-President Bush was published. The 1992 interview centered on the cost of health insurance, international competition and trade (see attached interview), along with other issues.

In addition to general economic questions, Fallows might bring up Eisenhower, whom he sees as perhaps the greatest post-World War II leader because of his commitment to investing in internal improvements such as education, roads, and science. See attached article by Fallows in which he brings up the concept of a nation using external challenges to strengthen infrastructure.

Fallows, Schneider, and Whitworth plan to interview Dole in the next week for the same piece. The results of this interview will be published in the September issue of *The Atlantic Monthly*. The interview will not be published as a transcript, but rather as an interpretation by the interviewers, similar to the method used in the 1992 interview.

III. PARTICIPANTS

President
Mike McCurry
Bill Whitworth
James Fallows
Bill Schneider

IV. PRESS PLAN

Interview exclusive to *The Atlantic Monthly*. This might result in a cover story.

V. SEQUENCE OF EVENTS

- Fallows, Schneider, and Whitworth escorted into the room
- Interview

VI. TALKING POINTS/ATTACHMENTS

- Interview published in *The Atlantic Monthly* (October 1992)
- Article from *US News & World Report* (September 1991) by Fallows regarding using external challenges to bolster economic growth and development
- Piece by Schneider published in *The National Journal* (5/25/96)
- Economic talking points/fact sheets to be provided by Gene Sperling on Tuesday morning

113TH STORY of Level 1 printed in FULL format.

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The Atlantic

October, 1992

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LENGTH: 5031 words

HEADLINE: A visit with Bill Clinton; Interview

BODY:

DURING THE Democratic primary campaign Governor Bill Clinton's verbosity became a strange part of his "character problem." To the average voter, his endlessly detailed answers sounded confusing and therefore deceptive. Among journalists they raised the suspicion that he was trying to placate every interest group--point two will reassure the feminists, point three will appeal to blacks--rather than projecting consistent, principled views. The economic plan that Clinton released in June intensified this problem. It listed a huge variety of positions but did not resolve contradictions among them or say which were the more important. For instance, the plan called for big increases in public investment, which sounds good--but proposed to pay for them mainly through unspecified defense cutbacks and the ever-elusive "administrative reforms."

This was sensible politics--being only as specific as absolutely necessary. The trick during a campaign is to find that narrow zone in which your positions are not so hazy that they're laughable but are still vague enough that most people can agree with them. "We can do better" always fits right in the zone, as do recommendations for "change" and much of the Clinton plan.

In an effort to ask Clinton about what lies behind the six-point checklists with which he answers questions whenever he can, several representatives of The Atlantic went to Little Rock to interview him. We also hoped to see at close range how well he was bearing up under the rigors of the campaign. Part of the "convention bounce" he enjoyed may have been the subliminal recognition of how much sheer wear and tear he had survived. Paul Tsongas could not have withstood the physical demands of a full campaign; George Bush probably couldn't if he didn't have the White House apparatus to prop him up. Ross Perot quit when the press coverage went mildly sour. Bill Clinton kept on plugging.

Clinton has resisted the vindictiveness that comes naturally in political campaigns. As a law of nature, politicians hate the press. Most end up thinking that there's some special reason the press discriminates against them. Mario Cuomo is notably touchy about anti-Italian stereotypes, Lyndon Johnson was ruined by the suspicion that the Ivy Leaguers were looking down on him, Patricia Schroeder thinks she's not taken seriously because she's a woman, Richard Nixon knew that the liberal Jewish media establishment was after him. Clinton has actually been the victim of anti-southern "Bubba" prejudice, especially during

the New York primary. But if it bothers him, it doesn't show.

Clinton was affable, though understandably tired-looking, when we met him in the governor's mansion. He is bigger and bulkier than he looks on TV. Before the Democratic convention Clinton's national TV exposure was mainly through call-in shows and televised debates, rather than the rallies and speeches of the general-election campaign. During these early appearances he sometimes seemed to smile too much and too insincerely, like a game-show host. In person he had the natural charm of the born politician, along with a wryness that does not always come through on TV. By this stage in a presidential campaign a candidate has heard almost every question and can rattle off answers automatically. But a number of times Clinton paused for ten or fifteen seconds before answering a question, and he usually made a good-faith effort to address exactly the question we had raised.

Clinton covered a wide variety of topics comfortably and lucidly. In the few areas in which he hadn't yet worked out a policy--for example, immigration--he said so, and in most other areas he clearly laid out his position, listed the supporting arguments, and dealt with the main objections. In most of the interview we didn't lay a glove on him, and we left with no doubt about his intelligence or detailed operating knowledge of government. But we tried to explore the apparent contradictions in two parts of his economic policy: his plan for dealing with the budget deficit, and his strategy for international trade.

WHEN TALKING about economics, Clinton seemed to be juggling two styles of thought, which was not true when the subject was race or abortion. His economic views, in his policy statements as well as in our discussion, switch between those of the A student and those of the pol. The A student recommends the respectable, well-thought-out policies that will be praised in universities and on editorial pages. The pol is concerned about getting elected and holding coalitions together. For instance: Every A student knows that America should have a much higher gasoline tax. The pol knows that people hate the sound of a gasoline tax, and they'll resist it unless you can tell them that the money will be used for some purpose they approve of, such as repairing roads.

The contrast between the two personalities is not the contrast between good and evil--between doing the right thing and merely "being political." It's a matter of proportion. Someone who is just an A student, like Michael Dukakis or John Anderson, won't become President--and if he slips through, the way Jimmy Carter did, he'll have a hard time getting politicians to do anything for him. Someone who seems to be just a pol, like George Bush, will be concerned only about holding the coalition together and won't care in what direction it goes. Franklin Roosevelt and Lyndon Johnson were fundamentally pols, but they had enough interest in policy to keep their coalitions heading in a certain direction. Bill Clinton's answers to us indicated a similar internal balance.

The most pol-like thing Clinton did during the primary campaign was to attack Paul Tsongas, in Florida, as an enemy of Social Security. Tsongas had mentioned in his pamphlet-sized "book" that it might be sensible to hold down the cost-of-living adjustment for entitlement programs. Every A student who has thought about the federal budget knows that if you don't find some way to limit Social Security and Medicare, you will never, ever reduce the budget deficit. Every pol knows that you want your opponent to raise this issue, because no

The Atlantic, October, 1992

matter how limited and reasonable his proposal may be, you can make it sound like an assault on the entire system. The politics of this issue is maddening to A students, because it has created a welfare mentality in the population at large. Most retirees are now getting much more back from the Social Security system than they have "earned," in actuarial terms. But politicians and the American Association of Retired Persons have encouraged the view that not a penny can be touched--not even if it's for the elderly rich, the Ross Perot of a few years hence who will be fully entitled to his pension and Medicare. As a result, working families pay a regressive and steadily rising Social Security tax to transfer benefits to retirees who are on average richer than their children's generation. One paragraph in Tsongas's book referred to this issue without the usual hedging comments, and the Clinton campaign used it in ads portraying Tsongas as a threat to the elderly in general.

We asked Clinton whether he regretted doing this, and what he intended to do about entitlement costs. Here he was clearly aware of the A-student position, which is that the Social Security problem represents the conflict of two American ideals. Universal-benefit programs, from public schools to Social Security, are better than targeted programs like welfare, because it's not humiliating to take part in them and because all taxpayers get something for their money; but universal benefits can be unfair when poor people pay taxes to support benefits for the rich. One American ideal is to keep everyone in the same boat; the other is to give help only to those who need it. Today's entitlement system tries to do both.

"What I explicitly said," the governor told us, "was that I thought the way to reform the entitlements was to make upper-income recipients pay more of their load, but that I thought the universality of the entitlement programs was important. It may be an important symbolic issue of fairness to ask older people with higher incomes to pay more for Medicare and to subject most or all of their income from Social Security to taxation. I think you can make that case pretty plainly, that it's important symbolically. But more than that is getting control of health-care costs."

With that we were off on an A-student alternative: Clinton's argument that we shouldn't waste our time on Social Security, since the only entitlement costs that really matter are the costs of the health-care programs, mainly Medicare. He said, "The major entitlement reform that swamps everything else--nothing else is even close --is doing what it takes to get health costs into line with inflation." The real reason for this approach must be Clinton's calculation, as a pol, that Social Security is a minefield. But Clinton made an extended A-student case for emphasizing medical costs.

"You know that the insurance companies, the health-care administrative costs, and the providers are doing very well in this system, and we have no system for controlling health-care costs," he said. "Health-care costs are going up eleven to twelve percent per annum, while revenues are going up five percent, four and a half. That's basically where the entitlement choke is. So I say, let's go after health-insurance costs, where the big bucks are, reduce poverty with earned-income tax credits and other strategies, and make the wealthy pay more of their fair share of Medicare."

Is it possible to limit these costs without limiting care--itself as difficult an issue as limiting Social Security?

The Atlantic, October, 1992

"That depends on whether we have the courage to reform the system. But the answer has to be yes, if you analyze where the dollars are going in the American system as compared with any other. We spend thirty percent more than any other country and do less with it in terms of basic coverage. It makes you say, Where are the dollars going here that they're not going in other places? It's not so

much exotic surgery but prolonged care for people in the last weeks of their life. We do spend more on that than other people do; the problem is, it's hard to know when the last week of your life is.

"But the real dollars are in insurance and administrative costs, where we're sixty or seventy billion dollars out of line with any other country with a comprehensive system. Doctor fees are not so much the problem as the repetition of services is--and the lack of a network of primary and preventive care, which leads too many people to get care only when it's too late and too expensive and at the emergency room, on somebody else's nickel. So if you were to reform those central elements, there's no doubt in my mind that within a matter of just a very few years you could bring healthcare costs down in line with inflation." This sounds clean and logical, and it may suffice for the campaign. But Clinton must know that such reforms will be very hard to enact and at best will reduce, rather than solve, the medical-financing problem. And the minefield of Social Security will remain.

THE OTHER unresolved issue in Clinton's economic policy concerns international competition and trade. His plan, which takes its name from his slogan "Putting People First," says that America must be robustly committed to the principle of free trade. But if other nations don't play by these rules, then "we'll play by theirs." This is like saying "We believe in peace, but if we have to, we'll use the F-15s." It leaves out all the details about where and why you would fight. On this issue the difference between A students and pols is clear-cut. "We'll play by their rules" implies protectionism, and for A students protectionism is always wrong. No respectable national newspaper editorialist, and almost no academic, will praise a candidate for suggesting protectionist measures--ask Richard Gephardt after his campaign in 1988. The term "protectionist" is less damning than "racist," but it is similar in suggesting a benighted view. In fact every nation practices protectionism of some sort. (The only obvious exception is Hong Kong, and it's not really a country.) Nations vary in how deliberately they plan the policies and which industries they protect, but they all do something. Pols instinctively realize this and know that protectionism can be popular in us-versusthem terms: Who's going to have those jobs in steel mills, the Koreans or us?

Two conflicting world views shape current discussions of trade policy. One might be called the Field of Dreams concept: If we improve it, they will come. The "it" is America's productive infrastructure--schools, research facilities, roads, fiber-optic networks, and the other things that make factories comfortable. "They" are the global corporations that, according to this theory, are no longer attached to any nation but flow rapidly from site to site in the now borderless world. If we prepare properly, the investment will arrive--and it won't matter if it's from Daimler-Benz, Ford, or Toyota, because they're all stateless capitalists now. The other concept, which might be called The World As We Know It, assumes that the borderless future is not quite at hand. Other countries take active steps to promote their own industries--which they continue

to think of as their own. In this view the welfare of American workers is tied to the strength of American companies, so in addition to building the schools and fiber-optic systems, the government should care how Ford, Boeing, and Motorola fare. In practice, the difference between these outlooks boils down to the question of whether the government should discriminate in favor of U.S.-based companies, preferring them over foreign competitors when granting contracts, supporting technology, or imposing tariffs.

Probably the strongest case against the Field of Dreams outlook is exemplified by the U.S. semiconductor industry. Every Field of Dreams reform you can think of for, say, Chrysler had already been applied in Silicon Valley in 1980. Employees were happy and well trained. Companies were run by engineers, not evil financiers. They invested for the long haul, and they had a good infrastructure. Labor relations was not really an issue, because most companies didn't classify the employees as "labor." And over the next five years the industry caved in more rapidly than the steel and auto industries had.

Its successful rivals--first in Japan, then in Korea--were coordinated by their respective governments. Without exception, countries that now have semiconductor industries got their start with government guidance and help. When the American semiconductor industry began, in the 1950s, the U.S. government--specifically the Defense Department and the space program--was for several crucial years the major and sometimes the only customer for its products. When the industry revived in the late 1980s, it did so, yes, because of its own efforts--plus government intervention, in the form of new trade treaties and research consortia.

The conflict between the two views is built into Clinton's campaign. Robert Reich, a prominent exponent of the Field of Dreams concept, is one of his close advisers. But another is Ira Magaziner, a champion of the real-world view. (Lester Thurow, another prominent academic in the real-world camp, is not connected with the Clinton campaign.) The first camp is the A-student position; the second is for pols. In most of his campaign statements Clinton has sounded like an A student, emphasizing the mobility of capital in a borderless age. We asked Clinton which side he was on. He said that his policy would depend on where he was sitting --in the governor's mansion of a small state or in the White House.

"As a governor, I have to deal with the realities of the global economy--factories moving to Mexico, the acquisition of foreign investment as well as domestic investment. Having lived through this, the conclusion I have drawn is as follows: Money, management, and production are by and large mobile and will become increasingly so. What they can't take away from you are the skills of your people, the quality of your infrastructure, the care and feeding of your natural resources, the work that you do in your own country on research and development and turning your ideas into jobs at home. Those are the core things.

"Nonetheless, it is still true that it matters who owns significant chunks of your economy. You need a manufacturing base in your own country. That requires domestic policies which reward the companies that are here in research and development and don't subsidize the flight of those jobs overseas.

"I'll give you an example, a goodnews bad-news thing. Bridgestone Tires in Japan buys Firestone in America. For Arkansas it's a blessing, because Firestone

had two plants here; they were in some trouble. Bridgestone had plenty of money. They came in here, spent thirty million dollars modernizing these plants, retrained the workers, gave them the benefit of modern management, and expanded the work force. It's a good thing. On the other hand, over the long run there will be relatively more upscale R&D work done by that company in Japan than would be the case if it were an American company."

Clinton didn't say how he would resolve the issue, but he showed that he clearly understands the arguments on both sides. (Imagine discussing this with George Bush.) The pol side of this issue probably reflects his true instinct. When Clinton talks about the "middle class," it seems that what he really means is something fairly close to a post-industrial working class (whose members, he knows, would hate being labeled in that way). Several times in our interview he mentioned the working poor, although we didn't ask him about that group; he had just rearranged his economic plan to direct its tax benefits downward on the economic scale. If it's fair to say that every President governs with the welfare of one group particularly in mind, for Clinton that group would be middle-class suburbanites--but from suburbs like Mount Vernon and Torrance, not Greenwich and Beverly Hills, with jobs like secretary and deliveryman, not doctor and stockbroker. Because these people don't consider themselves to be part of a permanent "class" in the Marxian sense, what they would look for from government would be opportunity more than equality: jobs for themselves, and education--especially college--for their kids, much more than tax relief. Presumably that would fit with an expanded and aggressive domestic role for government, rather than the (mostly theoretical) grand scaling-back of the federal government which we've had since 1981.

WHEN HE discussed subjects other than economics, Clinton displayed much less of the Astudent-pol division. He spoke at length about race, and his positions seemed for the most part to coincide with what he had learned firsthand.

We began by asking him what, in his view, were the most dishonest things that blacks and whites say and think about each other.

"I think whites tend to be, on the subconscious level, too willing to believe that there are inherent racial differences, which does not take account of some of the terrible conditions in which blacks and other minorities live in this country. I think that too many whites have underestimated the crushing impact of economic decline and family decline that a lot of black families have been subject to, that would have produced similar results had they occurred among people of any race. And on the other hand, others, including white liberals, tend to have expectations that are too low for people, based on their race, so they feel uncomfortable challenging people to do better and disagreeing with them on the basis of ideas.

"It is difficult to generalize about blacks and how they feel, but I think there are too many blacks who blame other people for problems that people can only solve themselves--on occasion. But that is difficult to generalize, because the black church and black community leaders are more and more adopting a kind of dual strategy, which I think is very good. They say, 'You know, we've got to make this system work for us. But we've also got to do our part. We've got to change ourselves.'"

And what about whites' understanding of their own racial views? How honest

and accurate is it?

"I think at one level most whites think they are free of prejudice. But I don't think that most people have thought through the enormity of the dimensions of the problem, and what kind of action ought to be taken by us as a nation to deal with it. And so I think that a lot of whites have sort of let themselves off the hook--you know, 'I don't wake up every morning consumed with racial hatred. I am, therefore, not prejudiced. Therefore there's nothing for me to do or feel or say.'"

When Clinton was a boy, the race problem was defined as a southern issue, one that centered on an apartheidlike system of separation and denial of legal rights. Now race is clearly a national, not a regional, problem--and we asked Clinton to define exactly what the problem is. "What's wrong," he said, "is that objectively blacks, and to a lesser degree Hispanics, are--profoundly are--worse off than the rest of the country, more likely to suffer from economic and social difficulties that are profound and that make the good life much more difficult."

What, if anything, can a President do about this? Clinton specifically rejected using quotas to enforce "equality as a result," as Lyndon Johnson proposed in his famous Howard University speech in 1965, or expanding civil-rights law, so that disadvantaged groups can more easily use the courts to defend their economic interests.

"I don't think the government in this society is capable of mandating equality of result... that the American people should try to mandate a quota system on our society. As for civil rights laws, I don't think they are irrelevant. As long as there is a disproportionate impact by race or gender on the difficulties we face, they're not irrelevant. But I think a lot of what we do doesn't have to be race-based. I mean, Social Security wasn't a constitutional right. It was a political decision. We ought to have an election and a political debate in which we say there are several ways in which we are diminishing the capacities of our people and weakening our country."

As solutions Clinton emphasized economic growth--with reminders that this is connected to education and trade and infrastructure projects and everything else--and an attempt to change personal values. In the past generation, he said, the government has clearly helped shift attitudes about smoking. Something similar is possible with attitudes toward work and family. Does this mean the kind of "values" speeches that Vice President Dan Quayle was giving in the spring?

"It's okay to talk about values. It is critically important to try to imbue within people a value structure that will change their behavior. But if all you do is talk about values while you pursue policies"--such as, we assumed, tax changes that hurt the working poor--"that you know will aggravate the very conditions you are railing against, then you're being hypocritical. That's my problem with Quayle and Bush. It would suit me fine if they had a minister I admired to the White House once a month, and let him or her talk about values. But the problem is that their behavior is inconsistent with the real world, which requires us to do more than preach about values. It's 'values plus'--it's not only values, it's values plus action that supports those values. And from my point of view, they're 'values minus.' I think the Democrats, or anybody else, would make a great mistake to minimize the impact of this values appeal, but it

rings hollow if your policies are inconsistent with the values you espouse."

The racial matter of which Clinton seemed to lack an instinctive grasp was the question of what to do about the problems of the big inner-city ghettos --problems that exist in Arkansas but that are an overwhelming issue in Los Angeles and New York and Chicago. He repeatedly cited William Julius Wilson's 1987 book *The Truly Disadvantaged*, which says that today's ghetto social problems, such as crime, welfare dependency, and family disintegration, are primarily the result of the loss of good manufacturing jobs. Clinton seemed to be using Wilson's book as a kind of talisman, in a way he wouldn't have done with a book about an issue with which he was personally more familiar. For example, he told us that according to Wilson, at the end of the Second World War, when the economies of New York and Detroit and Chicago were strong, the black and white rates for out-of-wedlock birth were about the same. "This is all a phenomenon of my lifetime," Clinton said. In fact Wilson doesn't use this particular statistic; he couldn't, because at the end of the Second World War the percentage of births out of wedlock was eight times as high for blacks as for whites. But Clinton seems to have filed away in his mind a sound-bite-like statement along the lines of "the ghetto underclass was created by deindustrialization."

If Clinton truly took on the underclass as President, he'd surely find, as the past few Democratic Presidents have found, that the ghettos are surprisingly resistant to the good old Democratic medicine of economic growth and low unemployment. A different approach would be to assume that the ghettos' problems are primarily cultural, and focus mostly on social acculturation programs targeted on high-poverty areas. Pols always want to do some of each--especially Clinton, who seemingly hates having to endorse either side of any complicated issue.

Still, that you can even worry about how Clinton would deepen his understanding of such subjects makes him unusual. He obviously views racial healing as one of the most important jobs for the next President. He also seems to have a sure, centrist sense of the political perils of the issue. In the 1960s, liberals helped destroy the tenuous public support for Great Society anti-poverty programs by making grants to the likes of the Blackstone Rangers, a Chicago gang. Clinton emphasized the need to sustain broad political support:

"I think that upper-middle-class people are ready to be challenged to help people in the cities help themselves. That's why welfare reform has such a powerful resonance in the suburbs. It is not because people want to punish poor people. It's because the experience of people living in the suburbs is that they helped themselves into the suburbs. You speak to the suburbs and recommend not maintaining dependence but creating independence. I think that has a powerful resonance, because it makes what you want to do with poor folks consistent with the life experience of middle- and upper-middle-class America."

THE MOST personally revealing answer Clinton gave during our visit concerned Vietnam. First he presented a dull but worthy discourse on the lessons the United States should and shouldn't draw. (We can't fight someone else's war, but we have to be ready to fight some wars.) Then he was asked, "Do you now wish you'd gone?" He paused for quite a while before answering.

"I can't say that. You know, I was raised in the post-World War Two

The Atlantic, October, 1992

generation. I always kind of wanted to be in the military. I always liked and admired it. And it's something that I missed in a way--that I missed. But to say that I wished I'd gone would require me to rewrite history to an extraordinary extent.

"I had an opportunity that few people of my generation had, because I worked on the Foreign Relations Committee. I had a security clearance. I read six newspapers a day. I sat there through all those hearings. I knew more than most people did--that we weren't being told the truth about how we were doing and what we were doing and what our objectives were. I've often wondered whether I

should wish that at that age I didn't know what I knew. But I believe now, just as strongly as I believed then, that our policy was wrong and misguided and that we would have been better off if we had changed it before we did.

"Because I was a kid from Arkansas, a state with a great patriotic tradition, and because I loved my country, I never wanted to feel that I was not patriotic or that my feelings and actions were dictated by just a desire to stay out of harm's way. But I felt--I mean, the passion of my feelings about it was so deep that I think it would be just rewriting history for me to say I wish I'd gone. I wish that I'd had the military experience, because I feel that it's an important part of a country to have a strong defense and an honorable thing to do. But the circumstances of that moment were so difficult and unusual that I can't go back and say that I'd rewrite history."

At the end of the interview we gave Clinton another chance to surmount the Jimmy Carter-like problem of having many positions but no identifiable point of view. "If you had to sum up your message for the fall campaign in three, preferably immortal, sentences, what would they be?"

This time Clinton really sat and thought, and then gave us five, with a distinct pause at the end of each sentence: "Our country is in trouble, losing its way economically and coming apart socially. Our government has failed to work for most Americans, favoring special interests and the wealthiest of us only. We need to rebuild America, and to reunite America with policies that put our people at the center of national life, investing in more jobs, basic health care, and world-class education, and with a commitment to pull people together again. We don't have a person to waste, but the problems today are not nearly as great as our lack of faith that we can overcome them. That's the real obstacle."

--The Editors

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HEADLINE: Enemies: A love-hate story

BYLINE: By James Fallows

BODY:

Non-Americans often say the United States craves an enemy. When the Soviet menace fades, America looks for Arabs or Japanese or South American drug lords to demonize. Indeed, for a country as diverse as the United States, external challenges can build unity. Otherwise, when Americans think about enemies, they are tempted to look next door, as in Crown Heights, Brooklyn.

Now, the United States has lost the second great enemy of its modern life. The first to go was the communist ideology, which disappeared as a serious challenge about the time that Poles, Russians and Vietnamese began applying market reforms. The second is the crumbling power of the Soviet state itself. Millions oppressed by these forces celebrate their passing. Americans may feel lost without them.

It is easy to remember how the cold war warped America. The economy's gravest weakness is that so much money, technology and brains have gone into warheads. The fallout shelters are mostly boarded up and forgotten, but people who lived through those years may never forget the nervous duck-and-cover drills. In retrospect, it is obvious that mid-cold war America was at the very peak of its power. But because of the Soviet Union, it felt menaced by weapons from abroad and subversion from within. Dictators knew they could wrap Americans around their fingers by flirting with the Soviets. "Stay close to your children," advised "The Naked Communist," a '50s bestseller. Train them "to think like Washington and Lincoln, not Marx and Lenin."

Yet for a while the Soviet Union was a useful enemy. America believed it had to match not merely Soviet military power, but Soviet achievement as well. Quaint as the idea now seems, many Americans in the '50s and '60s saw the two systems locked in a race to demonstrate superiority. Without the Soviet space program, Americans would not have stepped on the moon. America's schools and science, its bridges and roads, are bad enough now; imagine them without the massive effort to catch up with Sputnik after 1957. Richard Nixon rose to his finest moment in 1959, facing Nikita Khrushchev in the famous "kitchen debate." Surrounded by shiny American refrigerators, Nixon argued that capitalism was better than communism because it came closer to the communist ideal: a classless society where the little man had a chance. Stung by Soviet criticism, the Eisenhower, Kennedy and Johnson governments found "national security" reasons to help the downtrodden.

The old enemy is gone, and Americans can join in celebrating a victory they helped achieve. The world holds other systems for the United States to measure itself against -- especially in Europe and East Asia, with their own versions of capitalism and democracy. Like the enemy of old, they find fault with America for being so generous to its winners and so harsh on its losers. Maybe America can make useful enemies of them.

GRAPHIC: Picture, Duck and cover. Children in postwar America were taught that the Soviet "red menace" would cause their doom. (Bettmann Newsphotos)

LANGUAGE: ENGLISH

THE REINVENTION OF ROBERT DOLE

In mid-May, Robert Dole admitted it wasn't working and said he was quitting. He's right. The Battle of Pennsylvania Avenue is over. President Clinton won.

After capturing the Republican nomination in March, Dole said he'd stay on as Senate Majority Leader. It would prove, he said, that he was "a doer, not a talker."

Only one problem. Dole couldn't get anything done. The Senate is the last place on earth to try to demonstrate your ability to lead. The Senate minority has the power to sandbag you at every turn. Which the Democrats did.

Now Dole says he's going to stand before the American people "without office or authority, a private citizen, a Kansan, an American, just a man." Can he just shake off 35 years in Congress? He has to try. Because Congress is what's dragging Dole down.

Since the end of the first 100 days of the Republican Congress, President Clinton's job approval rating has soared. He's been above 50 per cent since late January. At the 100-day mark, most Americans said the Republican Congress was a success. No more. Right now, nearly two-thirds of the voters say they disapprove of the way Congress is handling its job.

As Congress goes, so goes Dole.

The President established a double-digit polling lead over Dole in late January—after the government shutdown, Clinton's widely acclaimed State of the Union speech and Dole's widely criticized response. That lead has been growing steadily for the past three months.

The GOP's base is in the suburbs, where a majority of voters now live. But Clinton has made big gains among those voters. His job approval rating among all Americans is up 11 percentage points over the past year, but it's up 17 points in the suburbs. That's also the constituency where Congress has collapsed. The percentage of all Americans who say that the Republican Congress has been a failure is up 14 points since last year. In the suburbs, it's up 21 points.

What happened? First, Clinton co-opted the Republicans' best issues, the ones that suburban voters care most about—taxes and the budget deficit. Among suburbanites, the GOP's advantage over Clinton on handling both issues has become negligible. The tax issue has always been at the top of the agenda for suburban voters. If Democrats neutralize the Republican advantage on taxes, the suburbs are up for grabs.

How did Clinton co-opt the center? Simple. Congress ceded it to him. The Contract With America included a lot of popular causes—welfare reform, tax cuts, balancing the budget. But on issue after issue, congressional Republicans took extreme positions that alienated moderate voters.

The President saw an opening. Congress passed radical plans for welfare reform, tax cuts and a balanced budget. Clinton's response was, "I'm for that—but not that much." When he vetoed the bills, the voters applauded.

As a result, he co-opted the GOP's best issues and stood up to them at the same time. He transformed his image from that of a

big-government liberal to that of a sensible moderate. At the same time, by drawing the line and vetoing the GOP's extreme measures, he looked tough and resolute.

A second factor: Clinton became the protector of government programs that the middle class wants. Suburban voters are affluent, well-educated and moderate, particularly on such social issues as abortion and gun control. They don't hate government. They hate taxes. Republicans in Congress went way too far to the right on social issues. They threatened government programs precious to the middle class.

In 1988, George Bush beat Michael S. Dukakis 60-40 per cent among suburban voters. In 1992, Clinton and Bush tied in the suburbs at 40 per cent. Ross Perot held the balance. And now? Clinton leads Dole, 57-39 per cent, in the suburbs. The GOP's suburban fortress may be falling.

Such drastic news calls for drastic steps. Such as Dole leaving the Senate, where he's seen every day as the leader of an institution in disrepute. Now, he needs to reinvent his campaign. What can he do? Four things, none easy.

He has to get such social issues as abortion off the agenda—although any backsliding risks a damaging floor fight at the con-

vention in August. He has to put some distance between himself and Speaker Newt Gingrich of Georgia. He must neutralize the Republican Congress's radical image. And he has to make it clear that he doesn't hate government.

Leaving Congress may help Dole separate his agenda from Gingrich's. Making a deal with Clinton to get such issues as medicare, medicaid, education and the environment off the agenda would help even more. But he has just a few weeks as Majority Leader to do it.

Dole must run hard against Clinton on character and values. It worked for Bush against Dukakis, but this time, the voters may not be so tolerant of such a harsh, negative campaign.

Finally, Dole has to find his own message. How did the Republicans hold the suburban vote for so many years? Answer: taxes, taxes, taxes. Conservatives are urging Dole to run on a 15 per cent across-the-board income tax cut. But that would destroy the credibility of his commitment to deficit reduction.

Maybe Dole can reinvent his campaign. But can he reinvent himself? He's the ultimate Washington insider, the candidate of the status quo. With Dole as the Republican candidate, the outsider factor has been neutralized.

Next to Dole, everybody else is an outsider. Even the President. For Dole to change that perception would be one of the great feats of political metamorphosis. Comparable, say, to Clinton's becoming a tough-minded moderate.

Dole is determined to reinvent himself. He's got to erase his Washington image and resurrect the image of Russell, Kan. But right now, voters see only a choice between two insiders, our two most accomplished professional politicians. It's an unsatisfying choice between two incumbents. Dole's objective now is to position himself where he ought to be—as a challenger. ■

Right now, voters see only a choice between two insiders. Dole's goal is to position himself where he ought to be—as a challenger.

THE ECONOMIC TALKING POINTS FOR THE
INTERVIEW WILL BE FORWARDED

THE WHITE HOUSE

WASHINGTON

June 3, 1996

**PHOTO WITH THE NCAA MEN'S COLLEGE LACROSSE
AND WOMEN'S COLLEGE RUGBY CHAMPIONS
THE PRINCETON TIGERS**

Date: June 4, 1996
Location: Prospect House Courtyard
Princeton University
Time: 3:35 PM
From: Brian Scott

I. PURPOSE

To recognize and congratulate the 1996 NCAA Men's College Lacrosse and Women's College Rugby champions.

II. BACKGROUND

Men's Lacrosse:

The Princeton Tigers won their third Men's Lacrosse championship (all in the past five years) by beating the Virginia Cavaliers 13-12 in overtime on Memorial Day, May 27. This was the second time in three years that Princeton has beat Virginia in overtime for the national title. Princeton went into the match ranked number one and Virginia was ranked third. The game was played through a steady drizzle in front of 22,600 fans at the University of Maryland's Byrd Stadium

Princeton's first championship also came in overtime in 1992 against Syracuse leading some to the phrase "Overtime is Prime Time" for Princeton Lacrosse. Coach Bill Tierney has an 82-38 record at Princeton and led the team to a 14-1 season. The school had never qualified for the NCAA tournament prior to Tierney's arrival, but has qualified every year since 1990, two years after Tierney began.

Jesse Hubbard, a sophomore from St. Alban's High School in Washington, D.C., scored the winning goal 34 seconds into the overtime giving Princeton sweet revenge for their only loss this season at the hands of Virginia on March 9, in Charlottesville.

Women's Rugby:

The Princeton Tigers also brought home the Women's Rugby championship by beating the Penn State Nittany Lions on May 5, 2012 in a rematch of last year's championship game. Princeton went to the Air Force Academy field in Colorado Springs, Colorado three days early to get acclimated to the altitude.

Although they were the number one seed, they were not expected to provide much of a challenge after last year's team graduated 10 seniors and their coach Alex Curtis earned his Ph.D and moved to New Hampshire. This year presented a great challenge as the team co-captains Megan Sarnecki and Angie Knighton assumed coaching responsibilities in an attempt to defend their national title. However, after 26 points from Susie Welgos in the first round, hard running from Steph Gazdo and Caroline Gibson (a 70 yard run for a score) in the semi-finals, and key scoring from Kristine Leporati and Laura Engler in the final game, Princeton became the first women's rugby team to repeat as national champions.

The team had seven members picked to the All-American Team including co-MVPs forward Tracy Dobovik and back Susie Welgos.

III. PARTICIPANTS

Members of the Princeton Men's Lacrosse and Women's Rugby teams, coaches, and staff.

IV. PRESS PLAN

Open press.

V. SEQUENCE OF EVENTS

- o You proceed to the Prospect House Courtyard.
- o You greet the Women's Rugby Team.
- o You will be met by club sports manager Dan Martin.
- o After the team presents you with a Princeton rugby jersey, you take a group photograph with the team.
- o You greet the Men's Lacrosse Team.
- o You will be met by Coach Bill Tierny.
- o After the team presents you with a Princeton lacrosse jersey, you take a group photograph with the team.

o You depart.

VI. REMARKS

None necessary.

ECONOMIC PROGRESS IN NEW JERSEY UNDER PRESIDENT CLINTON

President Clinton's strategy to strengthen the economy is based on reducing the federal budget deficit, lowering trade barriers, and empowering workers, families, businesses and communities to succeed. Here are some of the results for New Jersey after the first 39 months of the Clinton Administration:

Improved Economic Conditions in New Jersey:

- The unemployment rate has dropped from 7.9% to 6.6%.
- 152,900 new jobs added in 39 months -- after 221,600 lost during the previous 4 years combined.
- 149,700 new private sector jobs added in 39 months -- after 229,200 lost during the previous 4 years combined.
- 32,100 manufacturing jobs **LOST** in 39 months -- after 134,100 lost during the previous 4 years combined.
- New business incorporations have increased 8% **per year** -- after dropping 2% **per year** during the previous 4 years.
- Home building has increased 2% **per year**.
- Home sales have increased 2% **per year**.
- The Help Wanted Index has increased 26%.
- Consumer confidence has increased 8%.

What President Clinton's Accomplishments Have Achieved for the People of New Jersey:

\$15,000 OF REDUCED FEDERAL DEBT FOR EVERY FAMILY OF FOUR IN NEW JERSEY: The national debt will be **more than \$1 trillion** lower over 7 years than was projected before the passage of the President's economic plan. That's about \$15,000 of reduced federal debt for each family of four in New Jersey.

5 TIMES MORE NEW JERSEY FAMILIES RECEIVE A TAX CUT THAN A TAX INCREASE: As a result of the expanded Earned Income Tax Credit, 350,842 working families in New Jersey will receive a tax cut. This compares to an increase in the income tax rate for only the 72,224 wealthiest taxpayers in New Jersey.

TAX CUT FOR 35,676 SMALL BUSINESSES IN NEW JERSEY: The President helped entrepreneurs, proprietors, and other small businessmen and women by expanding the annual expensing allowance from \$10,000 to \$17,500. About 35,676 small businesses in New Jersey are likely to benefit from the expansion of the expensing allowance this year alone *and many more will benefit over the coming years.*

1,417,000 NEW JERSEY WORKERS PROTECTED BY FAMILY AND MEDICAL LEAVE ACT: The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child, to care for a sick family member, or if they become too sick to work. This law covers about 1,416,699 workers in New Jersey, and protects the jobs of 85,107 workers in New Jersey who are likely to use unpaid leave this year alone.

770,600 STUDENTS AND FORMER STUDENTS IN NEW JERSEY WILL BE ABLE TO BENEFIT FROM STUDENT LOAN REFORMS: Approximately 770,600 New Jersey borrowers -- 539,400 current borrowers and 231,200 new borrowers in the next few years -- can take advantage of the new direct student loan program by participating directly in the program or by consolidating guaranteed loans into direct loans. Some will benefit from lower interest rates, and all will benefit from more repayment options, including income contingent repayment.

THE WHITE HOUSE

WASHINGTON

June 3, 1996

MEMORANDUM FOR THE PRESIDENT

FROM: Julia Chamovitz
National Economic Council

SUBJECT: Background on Recent Developments in the New Jersey Economy

This memorandum presents background information about current economic issues in New Jersey.

- ***AT&T Continues with Lay-Off Plans*** -- AT&T Corp., which is headquartered in New York City, but maintains operating headquarters in New Jersey, stated that of the 40,000 lay-offs slated to occur over a three year period, 14,000 have already taken place. (Source: AT&T)
- ***Newark Designated as an Enterprise Community(EC)*** -- Newark was designated as an urban EC, and therefore received \$3 million in flexible social services block grant funding and tax-exempt bonding authority for zone businesses. The New Jersey Transit Authority committed \$32.7 million for bus, rail, subway, and airport transportation construction/modernization. Camden, NJ and Philadelphia, PA were also designated an Empowerment Zone. (Source: Community Empowerment Board)
- ***TRP Funds \$5.7 Million for Project in Morristown, NJ*** -- Bellcore of Morristown, NJ will lead a project to develop and test a ten gigabit-per-second self-healing fiber-optic transmission system called the Synchronous Optical Network. The system permits computer networks to automatically operate around a failed network node, which is critical for Defense requirements. (Source: ARPA)
- ***EITC Benefits over 350,000 Families in New Jersey*** -- This information comes from 1993 Treasury estimates.

<u>Rep.</u>	<u>EITC Benefits</u>	<u>\$ (millions)</u>	<u>% Families</u>	<u>Higher Taxes</u>
Torricelli	26,900 families	43.3	16.9	5,146
Payne	53,300 families	85.9	37.4	1,289
Frelinghuyen	7,900 families	12.8	4.9	12,209
Zimmer	9,900 families	16.0	6.2	11,263
Menendez	54,500 families	88.0	37.2	1,560
STATE	350,900 families	565.8	17.6	72,223

- *Federal Reserve on the Second District (New York)* -- The District economic conditions have weakened somewhat over the past two months, despite a modest pick up in job growth. Reports from retailers were very mixed in March and April, with year-over-year changes ranging from outright declines to double-digit gains; but on balance, sales were weaker than in February and a bit below plan. Job growth has accelerated somewhat, but a corresponding increase in labor force participation has kept unemployment rates from declining. Finally, banks' delinquency rates, which had been rising, leveled off in the past two months, while demand for commercial and industrial loans picked up. (Source: The Federal Reserve Beige Book 5/8/96)

THE WHITE HOUSE
WASHINGTON

June 3, 1996

MEMORANDUM FOR THE PRESIDENT

**FROM: ANN WALKER
 DAN COLLINS**

RE: Local Issues Briefing -- Princeton, New Jersey

CRIME

Airman Killed in New Orleans Was Stationed In New Jersey

Daniel Womack, a USAF Senior Airman, who was shot and killed last Thursday in New Orleans was stationed in McGuire Air Force Base in New Jersey. Womack, 22, was in New Orleans delivering the Presidential limousine. Police spokesman Lt. Marlon Defillo revealed that Womack was found in a public housing development near the French Quarter with a gun shot wound to the head. Defillo also stated that a small bag of marijuana was found in Womack's pocket. One suspect has been arrested and charged with first degree murder and armed robbery. Womack was married just two weeks ago.

Curfew Rejected

Despite widespread complaints about teenagers engaging in drug sales and vandalism, the Princeton Borough Council decided on Tuesday to reject a proposed curfew for minors in the area around Palmer Square. City officials justified their decision on the grounds that crime in the area has not reached a level of seriousness which warrants "drastic actions." In place of the curfew, officials voted to expand the police presence in Palmer Square.

GOVERNMENT

Princeton Township and Borough May Merge

After decades of debate, the merger of Princeton Township and Princeton Borough may take place. In a preliminary report, the Joint Consolidation Commission strongly endorsed a full merger, observing that consolidation of municipal services would yield better performance at a reduced cost while a single administration would negotiate more effectively with tax-exempt institutions such as Princeton University. If the Commission's final report, expected by July 4, recommends consolidation, the issue will be decided by referendums on the ballots of the Township and the Borough in the November election.

Legislation to Combat Teen Smoking Introduced

Last Thursday, Jack Sinagra, R-Middlesex, introduced legislation to restrict minors' access to tobacco products. Sinagra said the legislation was inspired by advertisements by Phillip Morris Inc. that called on Congress to take strong action to curb teenage smoking. The legislation included provisions to outlaw cigarette vending machines, prohibit cigarette advertising at many public events, ban the sale of tobacco promotions merchandise and require young people to show photo ID in order to purchase cigarettes.

State Assembly and Senate Approve Urban Redevelopment Act

The New Jersey State Assembly and the Senate sent Governor Whitman legislation that would create a new agency to promote inner-city investment. The Urban Redevelopment Act would set up a New Jersey Redevelopment Authority that would bring together various state agencies and private investigators to promote growth in decaying neighborhoods. The Authority would finance projects in cities like Camden, Jersey City, Newark and Trenton with up to \$100 million a year in funds borrowed through the sale of state bonds. Governor Whitman is expected to sign the bill.

EDUCATION

Character Education Sparks School Debate

A proposal to introduce "character development" into the eighth grade curriculum at Princeton's public schools provoked angry debate at a recent meeting of the district's program committee. The debate followed the committee's decision to rescind an earlier vote accepting a \$25,000 grant from the J. Seward Johnson Foundation to support the teaching of values in civics courses. The grant's requirement that students discuss the sanctity of all human life offended many pro-choice parents, while a proposed emphasis upon Judeo-Christian ethical traditions led other parents to condemn the program for being too narrow in scope.

HEALTH CARE

Blue Cross Blue Shield Merger

Last Wednesday, Blue Cross Blue Shield of New Jersey and Anthem Group of Indianapolis announced a merger that would make the new company the fifth-largest health insurance company in the country.

SPORTS

Princeton University Wins NCAA Men's Lacrosse Championship

On Memorial Day, top seeded Princeton beat the University of Virginia 13-12 in overtime to win the NCAA Men's Lacrosse Championship. Jesse Hubbard, sophomore attackman and Ivy League player of the year, scored the game winning goal after 34 seconds of the overtime period. Princeton has now won three NCAA lacrosse titles in the last five years.

THE WHITE HOUSE

WASHINGTON

June 3, 1996

MEMORANDUM FOR THE PRESIDENT

FROM: KITTY HIGGINS *JB HH*

SUBJECT: NEW JERSEY -- HOT ISSUES

DEPARTMENT OF TRANSPORTATION

- **Governors Island:** The Coast Guard is in the process of moving off Governors Island as part of a previously announced streamlining initiative to save money, and is expected to be completed by July 1. There is considerable local interest - both political and commercial - concerning the prospects for alternative uses of the highly-valuable property (estimated value is between \$500 million and \$1 billion). The Coast Guard will work with GSA in the transfer of ownership of the property. Operational Coast Guard units serving the New York area will relocate to Bayonne and Staten Island.

DEPARTMENT OF COMMERCE

- **Census Ruling:** The State of New Jersey was a plaintiff in a lawsuit decided by the Supreme Court on March 20, involving adjustment of the 1990 census. The Court upheld former Commerce Secretary Mosbacher's decision not to adjust the 1990 census to correct for the undercounting of minorities. In reversing a lower court ruling, the Court ruled unanimously that Mosbacher was "well within the constitutional bounds of discretion over the conduct of the census provided to the Federal government."

ENVIRONMENTAL PROTECTION AGENCY

- **Extensive, High Level Contamination Confirmed in Passaic River Sediments:** The Passaic River feeds into the NY/NJ Harbor. In May, EPA released the results from the first phase of a three-part study of contamination in the lower Passaic River. Dioxin concentrations were found in the sediments of the Passaic River and in deeper sediments next to the Diamond Alkali Superfund Site -- making this sediment one of the most highly dioxin-contaminated in the nation. The Occidental Chemical Corp. is one of nine parties deemed by EPA to be potentially responsible for chemical contamination, stemming from the ownership of the abandoned Diamond Alkali facility in Newark. The State has a long-standing ban on the sale and consumption of striped bass, blue crab and other seafood taken from the Passaic River.

DEPARTMENT OF LABOR

- **State Layoffs:** On May 14, the *Trenton Times* reported that the state had revised its latest layoff plans. The new plan calls for the elimination of 617 state jobs and leaves undecided the fate of 200 additional jobs. All layoffs will take effect July 8 with most dislocations occurring in the Trenton area. In a related story, the Communications Workers of America alleged that the planned state job cuts drastically reduce the numbers of women and minorities at the Department of Environmental Protection. Women and minorities, who make up 46% of the workers, will bear 65% of the planned layoffs. White males, who make up 54% of the work force, are targeted for 35% of job cuts. The union analysis, which focused on 214 jobs targeted for layoffs, calls the plan "blatantly discriminatory."

DEPARTMENT OF EDUCATION

- **Blue Ribbon School Controversy:** Watchung Hills High School of Warrenton was recently recognized among this year's selection of Blue Ribbon School winners. However, there has been on-going controversy and media attention surrounding the award to the New Jersey school. A gay man filed an administrative action against the school for removing him from the substitute teacher's list because he is gay. NJ anti-discrimination law covers sexual orientation, and the man received a probable cause finding from the State. Since there was no finding of a Federal civil rights violation against the school, the Department is comfortable that the award was properly made. A quote has been issued to the media that Secretary Riley opposes any discrimination against homosexuals.

DEPARTMENT OF INTERIOR

- **Temporary Construction Bridge to Ellis Island:** In 1986, the National Park Service (NPS) built a temporary construction bridge between New Jersey's Liberty State Park and Ellis Island. Senator Lautenberg and the state delegation want the bridge to remain as a permanent walkway. In fact, the Interior Appropriations bill signed into law April 25 included a provision to restrict NPS authority to demolish the bridge. Rep. Zimmer, 1996 candidate for U.S. Senate, originated this provision in the DOI House Appropriations Bill. The NPS and the State of NY maintain the position that the bridge does not belong. This involves the larger issue of Ellis Island jurisdiction, a case regarding which is expected to be on the U.S. Supreme Court docket this summer.

DEPARTMENT OF ENERGY

- **Princeton University Contract with DOE:** The Princeton Plasma Physics Laboratory (PPPL) is the largest center in the United States for research in plasma science, fusion science, and related technologies. It is managed and operated by Princeton University under a contract with DOE, which expires on September 30. On May 2, Secretary O'Leary authorized commencement of negotiations with Princeton to seek a five-year extension of the contract. The total value of the contract over 5 years is estimated at

\$275-\$325 million. However, in FY96, the Congress cut fusion funding from your request of \$363 million to \$244 million. PPPL absorbed the impact in FY95 by laying off 185 scientists and engineers. Although the Appropriations Subcommittee has not marked up the bill, staff have indicated that your FY97 request of \$264 million may be cut to \$200 million, forcing the termination of the fusion reactor program at Princeton in addition to 135 layoffs. If the FY97 fusion budget is severely cut, the U.S. will be faced with possible withdrawal from an international agreement to design a multi-billion dollar fusion reactor with Japan, Russia, and the European Union. *In a related story, Rush Holt, Assistant Director at DOE's PPPL, is on leave to run for a Democratic seat in the New Jersey 12th district race for Congress previously held by Dick Zimmer.*

DEPARTMENT OF DEFENSE

- **Lockheed Martin Astro Space:** This Princeton plant, producing commercial communication satellites for foreign and domestic customers and NASA, plans to transition its facility and workforce (2,610 employees) to Sunnyvale, California. The Princeton plant will close in 1998.
- **BRAC Closure: Bayonne Military Ocean Terminal:** This base, located in Hudson County, is tentatively scheduled for closure in 2001. Major tenant relocations have not yet been made, leading to concern and frustration over the uncertainty of 171 military and 2,274 civilian jobs. Cong. Menendez sent a letter to Army Secretary Togo West in January, expressing his concerns about continuance of Army projects. A final response to the Congressman's letter is being developed.