Withdrawal/Redaction Marker
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. memo	From John Podesta re: Box Request (11 pages)	02/19/1993	Personal Misfile

COLLECTION:

Clinton Presidential Records
Staff Secretary
John Podesta (Chron File)
OA/Box Number: 359

FOLDER TITLE:

February 1993 [8]

2018-0662-S
rs3033

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.
PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).
RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

THE WHITE HOUSE
WASHINGTON

DATE: 2/8

NOTE FOR: Alice Rivlin

The President has reviewed the attached, and it is forwarded to you for your:

Information ☑

Action ☐

Thank you.

JOHN D. PODESTA
Assistant to the President
and Staff Secretary
(x2702)

cc:

THE WHITE HOUSE

WASHINGTON

[redacted]

February 5, 1993

Mr. President:

I have forwarded copies of the attached to Bob Rubin, the Vice President, Mack and George for their use as well.

[redacted]

John Podesta

Interesting piece -

Jim

[redacted]

THE PRESIDENT HAS SEEN
2/8/93

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DEPUTY DIRECTOR

P1:24

February 4, 1993

MEMORANDUM FOR THE PRESIDENT

FROM: Alice M. Rivlin Alice
Deputy Director

SUBJECT: Reinforcing the Investment Theme

Your remarks to the OMB staff yesterday were terrific! You raised morale many levels.

As I listened to you, however, it occurred to me that we may all be missing an opportunity to tie together "investment" and "deficit reduction" into a powerful unified theme of investing in our future. At times you sounded as though "investment" and "deficit reduction" were two different goals to be pursued simultaneously rather than different aspects of the same goal. Here's the argument:

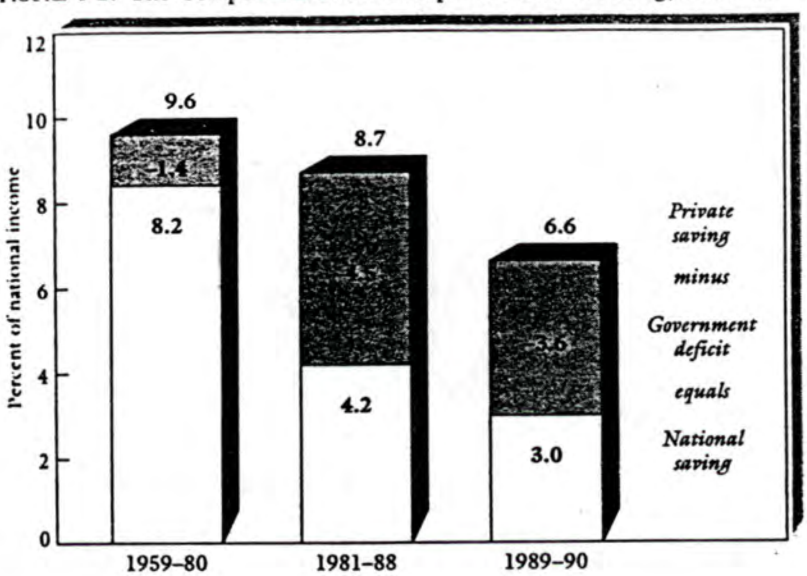
- To increase future living standards, we need two kinds of investment, public and private.

- Private investment can only be funded in two ways: from our own domestic savings or by borrowing the savings of foreigners.

- In the 1980s, domestic saving in America collapsed. Domestic saving, as a percent of GDP in the 1980s dropped to less than half the rate of the 1960s and 1970s. More than half the drop was associated with the increasing government deficit. (A government deficit is public dissaving.)

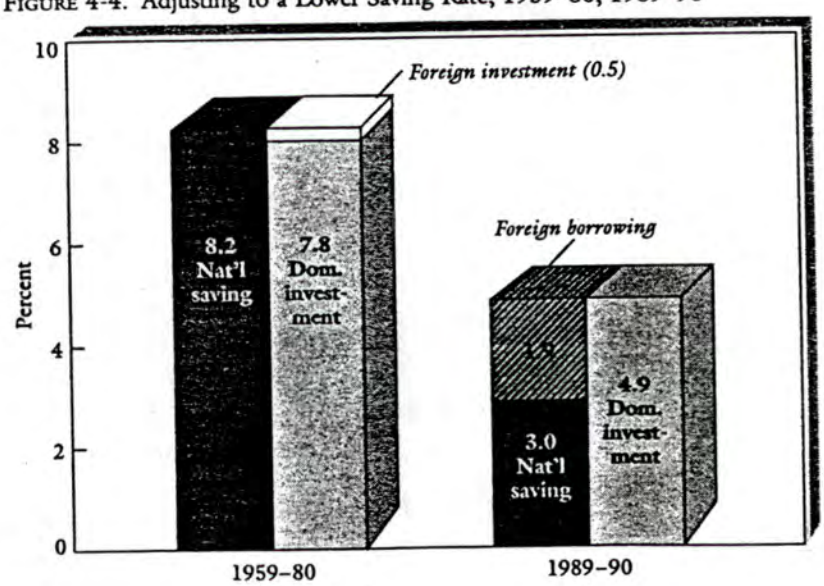
The chart below, from Charlie Schultze's nice little book, **<u>Memos to A President</u>**, shows this collapse dramatically.

FIGURE 4-2. The Components of the Collapse in National Saving, 1959–90



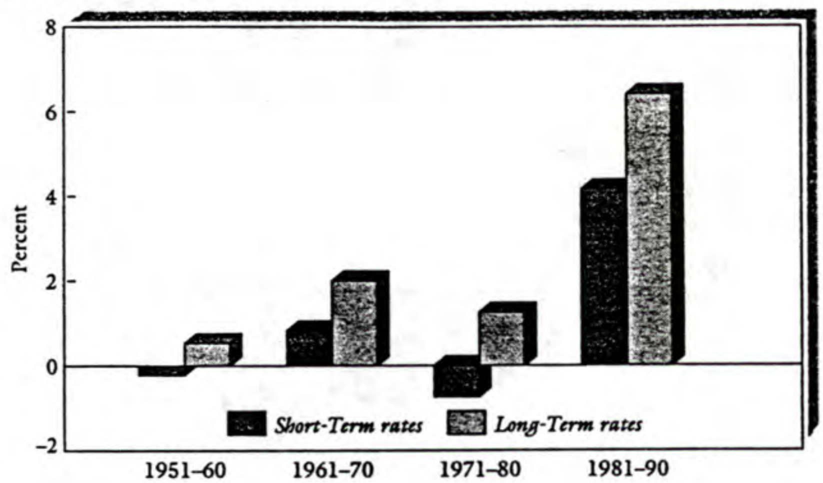
- **The collapse in saving reduced American investment, although part of the shortfall was made up of foreign borrowing. The second chart shows this shift dramatically.**

FIGURE 4-4. Adjusting to a Lower Saving Rate, 1959–80, 1989–90



- The mechanism by which the higher deficit reduces private investment is, of course, the change in interest rates. Interest rates were much higher in real terms in the 1980s than in previous decades. (See third chart.)

FIGURE 17-1. Real Interest Rates, 1951–90



- Hence, if we want to have a higher standard of living in the future, we must do two things at once. First, we must increase public investment in skills, infrastructure and technology. Second, we must reduce government dissaving to release resources for private investment. Thus, deficit reduction and public investment are two parts of the same strategy to increase our nation's productivity and create high wage jobs for the future.

In the Name of Allah

National Office
Community Outreach - Protocol

The Nation of Islam

IN THE NAME OF ALLAH, THE BENEFICENT, THE MERCIFUL.
I BEAR WITNESS THAT THERE IS NO GOD BUT ALLAH AND I BEAR WITNESS
THAT MUHAMMAD IS HIS MESSENGER

To Marcia
Hone

January 28, 1993

Ms. Nancy Hernreich
White House
1600 Pennsylvania Avenue
Washington, DC 20005

As-Salaam Alaikum.
(Peace Be Unto You)

Dear Ms. Hernreich,

Please find the attached corrected letter of previous date to President Clinton.

I am asking you to personally extend my deepest apologies to the President for the incorrect copy that was sent by the Honorable Louis Farrakhan's secretary.

We look forward to a reply within the very near future. You may contact me at, 1325 Emerson Street N.W. Suite 302, Washington, DC 20011. My phone number is, (202) 723-9125. My fax is, (202) 723-5235.

God is Love.

Claudette Marie Muhammad

Claudette Marie Muhammad
Chief of Protocol to
The Honorable Louis Farrakhan

CM/pm

Minister Louis Farrakhan
NATIONAL REPRESENTATIVE OF THE HONORABLE ELIJAH MUHAMMAD
AND
THE NATION OF ISLAM

*IN THE NAME OF ALLAH, THE BENEFICENT, THE MERCIFUL.
I BEAR WITNESS THAT THERE IS NO GOD BUT ALLAH AND I BEAR WITNESS THAT MUHAMMAD IS HIS MESSENGER.*

January 20, 1993

*President William Clinton
White House
1600 Pennsylvania Avenue N.W.
Washington, DC 20005*

*As-Salaam Alaikum.
(Peace Be Unto You)*

Dear Mr. President,

We, the Nation of Islam, extend our hand to you to help in anyway we can to solve the critical problems of the cities, health, education, and jobs.

I recognize the heavy schedule that you have, however, if you have any time available, that we might meet, it will be greatly appreciated.

Sincerely,

Louis Farrakhan

*The Honorable Louis Farrakhan
Servant to the Lost Found
Nation of Islam in the West*

HLF/pm

4855 South Woodlawn Avenue CHICAGO, ILLINOIS 60615

Minister Louis Farrakhan
NATIONAL REPRESENTATIVE OF THE HONORABLE ELIJAH MUHAMMAD
AND
THE NATION OF ISLAM

*IN THE NAME OF ALLAH, THE BENEFICENT, THE MERCIFUL.
I BEAR WITNESS THAT THERE IS NO GOD BUT ALLAH AND I BEAR WITNESS THAT MUHAMMAD IS HIS MESSENGER.*

OPEN LETTER TO PRESIDENT CLINTON

January 20, 1993

Dear Mr. President,

May this letter find you in good spirit, filled with the zeal necessary to fulfill the heavy responsibility that lies in front of you and your administration.

As I watched your inauguration, I thought.... never in my years of watching inaugurations has there been one so filled with joy, hope and the high expectation of the broad mass of the American people that you and your administration will be able to turn this great ship of state in the right direction and fit her for the new world order, that is not designed by the old world rulers, but according to the Will and desire of Allah (God) spoken through the mouths of His Prophets.

As I listened to your words, and saw the tremendous support that you have, it is clear to me that if any person could effect a meaningful change for this Nation and world, it is you. You are faced with the awesome task and responsibility of saving this Nation from repeating the history of the ruin of Sister Nations that have gone before America; Ancient Egypt, Rome, Babylon, and Sodom and Gomorrah. All of the evils that brought these Nations and cities to ruin are present in America. However, also present is Divine Guidance that could perhaps save this Nation from repeating past history. In order to do this, you, Mr. President, must be imbued with extraordinary strength to resist the pressure coming from forces within and without the Government. These forces would hold you to failed policies and programs of the past and veil your vision of America for today and tomorrow.

America stands at the threshold of disaster or unlimited greatness. Your Presidency could be the turning point. America's most bitter "foes" are ready to follow your lead if your policies, foreign and domestic, reflect a greater measure of justice for the peoples of America and the peoples of the world. Saddam Hussein, Muhammar L. Qadhafi, Yasser Arafat, Fidel Castro, the Arab World, and the Governments and people of Africa, Central America, South America and the Caribbean are not angry with the American people. They are dissatisfied with the unjust policies of the government of the United States of America, that have led to the ruin of the legitimate aspirations of Third World Leaders and Nations.

It was the lack of justice in Pharaoh and Egypt that led to Egypt's fall and ruin and Pharaoh's destruction. It was the increased wealth and power of Babylon that increased her corruption that led to her ruin. Rome's power and wealth increased her inordinacy. All of these great Nations, Empires, and Cities received a Warner from Allah (God) giving them Guidance that could have saved them, but their power and wealth increased their pride and their pride blinded them to Right Guidance. Nineveh was the only one of the ancient cities that Allah (God) had promised to destroy that was saved, and her destruction delayed, due to the fact that she listened to the Guidance of Allah (God) coming from the Prophet Jonah.

If you would remember that you are chosen, not only by the people, but you are in power by Allah's (God's) permission for this time in history; and, if you would summon the strength to follow your vision and open your heart to the Guidance of Allah (God), then, history may record your Presidency as the greatest of them all.

May Allah (God) bless you with His Light and His Guidance. May He keep away from you the pride that attends the awesome power of your office and replace it with the humbleness of heart, making you to understand that we as human beings are only for a season and though history may record us and be kind to us for our good deeds, however, in every generation Allah (God) is well thought of and praised much. So, every generation should bow down and serve Allah (God) and submit to do His Will, remembering that He alone is the Sovereign of the Universe and the Only True and Lasting Reality.

Respectfully,

Louis Farrakhan

The Honorable Louis Farrakhan
Servant to the Lost Found
Nation of Islam in the West

HLF/pm

THE PRESIDENT HAS SEEN
2/8/93

THE WHITE HOUSE

WASHINGTON

FEBRUARY 4, 1993

OK JDP

MEMORANDUM FOR JOHN PODESTA

FROM: STEPHEN B. SILVERMAN SBS
Deputy Secretary to the Cabinet

SUBJECT: PHOTOGRAPHS OF CABINET SECRETARIES FAMILIES FOR SIGNATURE BY THE PRESIDENT

Attached are photographs taken by White House photographers at the swearing-in ceremony of certain Cabinet Secretaries. We encourage you to have the President sign these photographs in his own hand because they are for the Secretaries themselves. We have forwarded additional copies of these photographs for family members to the calligraphy and correspondence departments to make the process more efficient.

Below is a list of the Cabinet Secretaries whose photographs are attached in the order listed.

1) The Honorable Madeleine Albright

2) The Honorable Les Aspin

3) The Honorable Mike Espy

4) The Honorable Donna Shalala

5) The Honorable Carol Browner

6) The Honorable Bruce Babbitt

7) The Honorable Richard Riley

8) The Honorable Jesse Brown

9) The Honorable Carol Browner

10) The Honorable Leon Panetta

11) The Honorable Henry Cisneros

12) The Honorable Mickey Kantor

13) The Honorable Ron Brown

14) The Honorable Lloyd Bentsen

15) The Honorable Robert Reich

16) The Honorable Hazel O'Leary

17) The Honorable Warren Christopher

18) The Honorable Federico Pena

To Carol — Thanks for having your family share this happy day — Bill + Hillary Clinton 1/93

To Federico Peña with thanks for your willingness to serve and to get our country moving again Bill Clinton 4/93

To Warren Christopher with thanks for your friendship and your willingness to take on this great challenge Bill Clinton '93

To Hazel O'Leary — with thanks for your willingness to serve at and with energy —

Bill Clinton 4/93

To Bob Reich - with thanks for so many years of genuine friendship and for giving me chance to put your ideas to work for the American people Bill Clinton 4 93

To Lloyd Bentsen – with thanks for your willingness
to take on this great new challenge for our country
Bill Clinton 1/93

To Ron Brown with thanks for your friendship and the dedication you bring to our new challenges —
Bill Clinton 1/93

To Mickey Kantor — with thanks for doing so much to bring us back to this day — and for all you will do to build our future — Bill Clinton 4/93

To Henry Cisneros with thanks for your commitment to rebuilding America
Bill Clinton 1/93

To Leon Panetta with thanks for your willingness to help America walk the hard road today to a better tomorrow —

Bill Clinton 1/93

To Jesse Brown with thanks for going to a new level of service to our veterans

Bill Clinton 1/93

To Dick Riley — with thanks for giving our kids a better future. Bill Clinton
1/93

To Bruce Babbitt — with thanks for years of friendship and dedication to America

Bill Clinton 1/93

To Carol Browner with thanks and best wishes
for a new day for the Environment
Bill Clinton 1/93

To Donna Shalala - with thanks and great expectations
Bill Clinton 1/93

To Mike Espy — Now you can "answer to" Mr. Secretary — Bill Clinton 1/93

To Les Aspin with thanks and high hopes
Bill Clinton
1/93

To Madeleine Albright with thanks and great anticipation Bill Clinton
1/93

THE WHITE HOUSE
WASHINGTON

[redacted]

fd on desk 2/8

February 7, 1993

To: HRC
From: John Podesta

Attached is a memorandum for the President from Donna Shalala concerning a legislative initiative for childhood immunization. Carol Rasco has signed off on this memorandum and I am providing a copy to Leon Panetta, Bob Rubin and Howard Paster. I have not yet forwarded the memo to the President.

no f/up

[redacted]

[redacted]

THE WHITE HOUSE
WASHINGTON

[redacted]

fd on desk 2/8

February 7, 1993

FW

To: HRC
From: John Podesta

Attached for your information is a copy of the President's briefing book for his meeting tomorrow afternoon with Turkish President Ozal.

no bkup

[redacted]

[redacted]

003618
PR005-01
CHRON

THE WHITE HOUSE

WASHINGTON

TO: Nancy Hernreich
FROM: Susan Brophy
DATE: February 15, 1993

RE: Photograph of BC for Rep. Louise Slaughter

I hate to bother you with this kind of request but am doing so as a personal favor to Rep. Slaughter, who was one of the people we had speed up her remarks on Saturday so BC could get to his radio address.

Rep. Slaughter's grandson, Danny Secatore, is turning 7 years old on February 20. He describes himself as the biggest Bill Clinton fan in Massachusetts (actually I think my niece is the biggest fan but that's another issue!) and would be thrilled with a signed photograph.

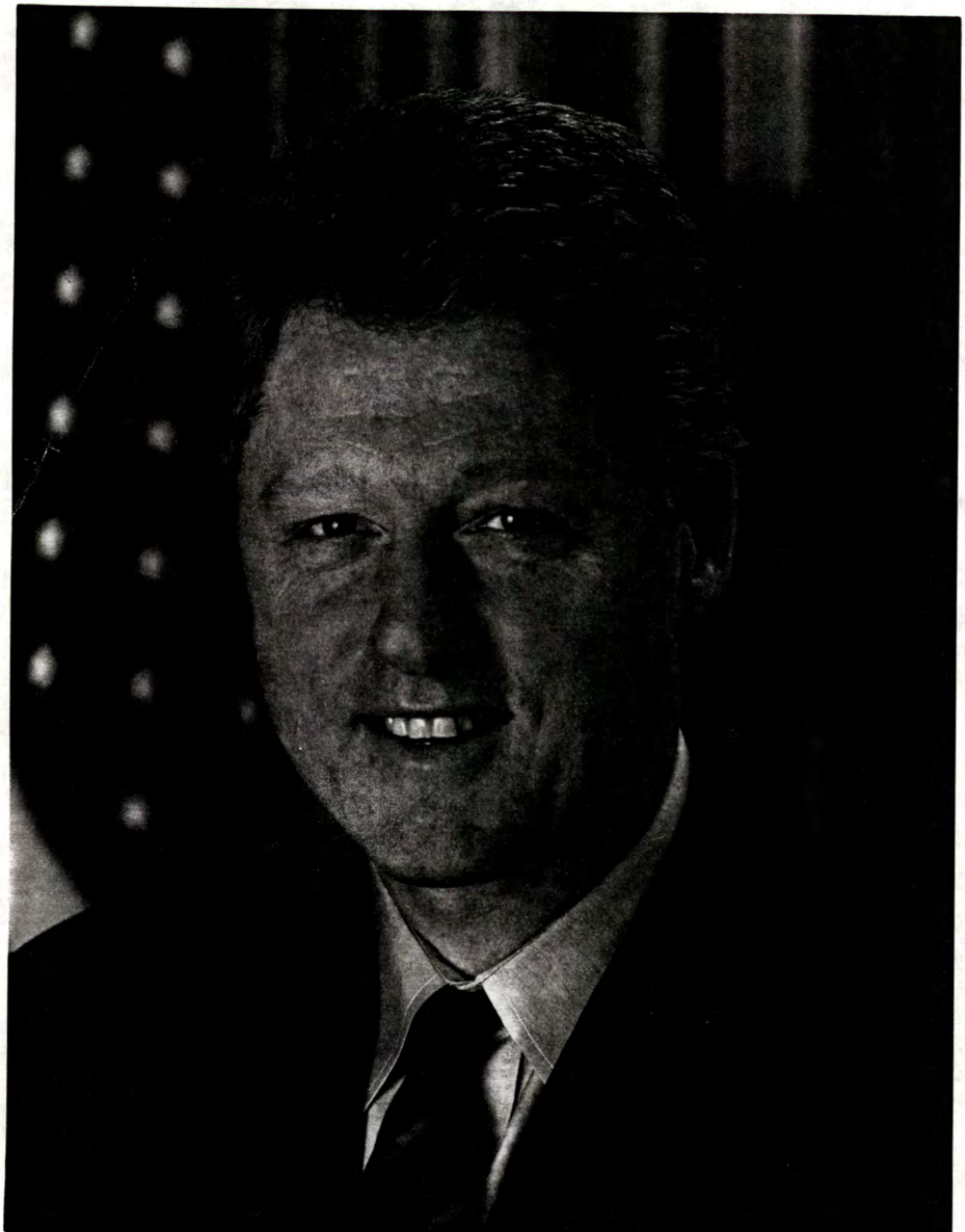
This would not be such a priority except that Slaughter was very gracious on Saturday and I would like to honor this request. Thanks.

Hazel O'Leary

~~Summerville~~ Central
Somerville
School
Science Center 2000

Vicki Thornton / 586-5534

Hazel O'leary
Central Somerville School
Science Center 2000
Vicki Thornton / 586-5534



To Danny Secatore
Happy birthday and best wishes, Bill Clinton

THE WHITE HOUSE

WASHINGTON

February 12, 1993

MEMORANDUM FOR BRUCE LINDSEY
DIRECTOR, OFFICE OF PERSONNEL

FROM: *JOHN PODESTA*
STAFF SECRETARY JDP

SUBJECT: *Archives Liaison*

Bruce — Do you want me to follow up + get a NARA person over here? John

During the last several Presidencies, the National Archives and Records Administration (NARA) has maintained a presence in the White House. Most recently, during the Bush Administration, an archivist was assigned to the White House Office of Records Management (ORM) who has now moved to Texas to assist in the administration of the Bush Presidential records.

This is a good tradition to build on. Among other things, a NARA employee assigned to the White House could assist the Clinton Administration in the following areas:

1) Providing NARA perspective and insight regarding compliance with the Presidential Records Act.

2) Serving as liaison with NARA, and specifically with the various Presidential Libraries that are administered by NARA.

3) Coordinating shipments of Presidential gifts from the White House Gift Unit to NARA.

4) Overseeing and approving the disposal of non-permanent materials. (Based on prior agreement with the Congress.)

5) Conducting oral history interviews with selected members of the White House staff at the time of their departure.

6) Serving as liaison with the various EOP units that generate both Presidential and Federal records.

7) Assisting in the planning for a Clinton Presidential Library.

As has been the case in the past, an NARA employee assigned to ORM would remain on the NARA payroll, but would report directly to the ORM Director. Finally, the White House would reserve the right to modify or terminate the arrangement at its discretion.

Withdrawal/Redaction Sheet
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. memo	From John Podesta re: Box Request (11 pages)	02/19/1993	Personal Misfile

COLLECTION:
Clinton Presidential Records
Staff Secretary
John Podesta (Chron File)
OA/Box Number: 359

FOLDER TITLE:
February 1993 [8]

2018-0662-S
rs3033

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.
PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).
RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

THE WHITE HOUSE
WASHINGTON

[redacted]

DATE: 2/19

TO: Hershell Gober

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

Per your request

John

[redacted]

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

The Honorable Hershel Gober
Deputy Secretary of Veterans Affairs
810 Vermont Avenue, N.W.
Washington, D.C. 20420

[redacted]

THE WHITE HOUSE

WASHINGTON

February 19, 1993

Greetings to all those gathered in Greenbelt, Maryland, to honor Joseph C. Zengerle, the National Commander of the Disabled American Veterans.

The Disabled American Veterans is one of the world's foremost veterans service organizations. My great respect for your work was demonstrated when I selected Jesse Brown to serve as the Secretary of Veterans Affairs. The appointment of Joe Zengerle as your National Commander will ensure the continuing effectiveness and compassion of your efforts. Joe has dedicated a long and distinguished career to America and the men and women who have served in her defense. I have the greatest confidence that he will continue to show the same leadership and courage in his new post that he demonstrated in the past.

Hillary joins me in sending best wishes and congratulations to Joe. May God bless you all.

Bill Clinton

THE WHITE HOUSE

WASHINGTON

February 19, 1993

It is a privilege to extend my greetings to all those participating in "Stand Down - New Jersey - '93."

Homelessness in America has grown beyond the stereotypes. Those who make their beds in the parks and on the steam grates each night are no longer just those suffering from mental illness or struggling with drug and alcohol problems. And they are not found only in our big cities. If you visit any community in America, you will likely witness the sad harshness of the lives of these men, women, and children. If you talk to them, you will learn that they arrived at their condition for a host of reasons. But no matter what route they took, they face the same cruelty, suffering, and despair.

Your work in behalf of homeless veterans serves as a model of how we all can approach this tragic problem. Helping your fellow veterans by bringing together the resources of the New Jersey area benefits not only the homeless but also the community at large.

Hillary and I send you our best wishes for a successful Stand Down.

Bill Clinton

02/18/93 13:50 ☎202 233 4786 001

John D - 2276
10:30 - 45
WILL HAVE.

THE DEPUTY SECRETARY OF VETERANS AFFAIRS 2276

WASHINGTON

93 FEB 18 P1:45

Being handled by SLK

TELEFAX TRANSMITTAL MEMO

ATTN: John Podesta

ORGANIZATION:

TELEFAX #: 456 - 2215

"URGENT"

FROM: OFFICE OF THE DEPUTY SECRETARY

Department of Veterans Affairs
Telephone #: (202)535-8623
FAX #: (202)535-8665

COMMENTS:

THE DEPUTY SECRETARY OF VETERANS AFFAIRS
WASHINGTON

February 19, 1993

NOTE FOR JOHN PODESTA, STAFF SECRETARY, THE WHITE HOUSE

John, this is a "short fuse" urgent and I would appreciate your assistance.

I need by close of business tomorrow, February 19, 1993.

Please call me if there is a problem. Please call when ready and I will have it picked up.

Again, I apologize for the short lead time but if you can help me this time I'll do better next time.

Hershel

Hershel W. Gober
Deputy Secretary

Draft Draft Draft

The White House

Washington

February , 1993

It is a privilege for me to add my congratulations to those of friends and family on the occasion of this testimonial dinner in honor of Joseph C. Zengerle, National Commander of the Disabled American Veterans.

The appointment of Joe Zengerle as National Commander of one of the world's foremost veterans service organizations was the logical next step in his long and distinguished career in service to America and to her veterans. I purposely said "next step" rather than conclusion to his career, because I am certain that Joe will, in some capacity, continue working for veterans throughout the rest of his lifetime. As I demonstrated by "raiding your ranks" to get Jesse Brown for my Secretary of Veterans Affairs. I have the highest regard for the Disabled American Veterans, and I believe it must be a singular honor to serve in the role of your National Commander.

Hillary joins me in sending you our best wishes and congratulations.. May God bless you all.

Bill Clinton

FROM 415 321 9026

2/15/93

4:35 p

P 1

CARON

Bay Area Action
504 Emerson St.
Palo Alto, Ca 94301
tel: (415) 321-1994
fax: (415) 321-9026

Facsimile Transmittal Sheet

SENT TO: Office of the President

FROM: Chuck Peterson

FAX NUMBER: (202) 456-6208

DATE: 12 Feb. '93

TOTAL PAGES (including cover sheet): 3

COMMENTS: Reply to Request for Information TIMBER SUMMIT

John:

I sent this on to Katie McGinty's shop. She wasn't in when I called, but I spoke to Christian who said that they don't have anyone in charge of this yet, but in my memo to Katie, I ask her to let us know.

Jennifer

Office of the President
re: White House Request for Information/Forest Summit
attn.: President Clinton/V.P. Gore
cc: James Lyons/Thomas Tuchmann

11 February '93

Dear President Clinton:

I am taking this opportunity to respond to your staff request for input regarding the Timber Summit. Your request, addressed to Bay Area ACTION, has been routed to me by Holly Kaslewicz, as I am the founding member of our Forest Action Team. The process of dissemenating information is rather slow in our movement, and I apologize for the tardiness of this reply. The opinions expressed in this letter reflect my own personal views developed after consultation with members of the forest preservation community, and a follow-up letter from our organization, under the signature of Rich Follansbee, will reflect the "official" consensus view of Bay Area Action.

I will address your questions in the order Mr. Lyons and Mr. Tuchmann presented them:

1) how the summit should take place:

Under the direction of the Vice President, the Secretary of Interior and the Director of the EPA, a process of free scoping, scientific focus, and final management proposals.

2) when the summit should take place:

Earth Day, April 22, would send a stunning message that environmental protection is no longer "optional"; however, it would also antagonize the timber industry, perhaps needlessly.

3) where the summit should take place:

At a National Park or forest with sufficient accomodation, containing intact
forest ecosystems. Perhaps Yosemite or more appropriately Olympic National Park, which would be in keeping with the work of John Muir

and successive Administrations in maintaining the American heritage of preservation of wilderness areas.

4) who should be involved:

A consensus body chosen from among affected constituent groups, including timber, environment, government (at all levels, and including Native nations), and most importantly, scientists and economists central to the biodiversity question who should play the role of "Security Council" or "Supreme Court" in the process.

5) what issues should be tackled:

Biodiversity, and transition to a biologically and economically sustainable industrial regime for the affected regions. Covert and overt Federal subsidies (welfare logging) should be withdrawn and timber operators should be forced to bear the **true cost** of their own operations involving roading, restoration, etc.

6) what should result:

Protection of irreplaceable biomacrosystems for future generations in perpetuity, empowerment of grassroots constituencies to pursue a sustainable lifetime of abundance without fear, and a new industrial paradigm that incorporates biology as the basic law of humanity and social equity as the goal of industrial enterprise.

Thank you for asking for our input.

Yours For a Green and Peaceful Earth,

Charles E. Peterson Co-Chair, Bay Area ACTION
504-A Emerson St. Palo Alto, CA 94301 (415)321-1994 fax 321-9026
email: baaction @ igc.apc.org

cc: to follow by United States Mail...

file

93 FEB 18 P3:43

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release February 15, 1993

REMARKS BY THE PRESIDENT
IN ADDRESS TO THE NATION

The Oval Office

9:00 P.M. EST

THE PRESIDENT: Good evening. I have chosen this day on which we honor two great Presidents to talk with you about the serious problems and the great promise of our country, and the absolute necessity for change if we're to secure a better future for ourselves and for our children. On Wednesday evening I'll address the Congress about the specifics of my plan, but first I turn to you for your strength and support, to enlist you in the cause of changing our course.

This is a momentous time for our nation. We stand at the end of the Cold War and on the edge of the 21st century. For two decades we've moved steadily toward a global economy in which we must compete with people around the world -- a world which requires us to work hard and smart; a world in which putting people first is more than a political slogan, it's a philosophy of governing and the only path to prosperity.

For 12 years we've followed a very different philosophy. It declared that government is the problem, that fairness to the middle class is less important than keeping taxes low on the wealthy; that government can do nothing about our deepest problems -- lost jobs, declining wages, increasing inequality, inadequate educational opportunities, and a health care system that costs a fortune but does too little.

During those 12 years as Governor of Arkansas, I followed a very different course -- more like what you've done at home and at work. I invested in the future of our people and balanced a state budget with honesty and fairness and without gimmicks. It's just common sense. But in the 26 days I've been your President, I've already learned that here in Washington, common sense isn't too common. And you've paid a lot for that loss of common sense.

The typical middle class family is working harder for less. Despite the talk of a recovery, more than nine million of our fellow citizens are still out of work. And as this chart indicates, if this were a real, normal recovery, three million more Americans would already be back at work by now. In fact, there are more jobless people now than there were at what the experts call the bottom of this recession.

All during this last 12 years the federal deficit has roared out of control. Look at this: the big tax cuts for the wealthy, the growth in government spending, and soaring health care costs all caused the federal deficit to explode. Our debt is now four times as big as it was in 1980. That's right. In the last 12 years we piled up four times as much debt as in the previous 200.

Now, if all that debt had been invested in strengthening our economy, we'd at least have something to show for our money --

MORE

more jobs, better educated people, a health care system that works. But as you can see, while the deficit went up, investments in the things that make us stronger and smarter, richer and safer, were neglected. Less invested in education, less in our children's future, less in transportation, less in local law enforcement. An awful lot of that money was just wasted.

This matters. When you don't invest in jobs and education and economic opportunity, unemployment goes up and our incomes go down. And when the deficit gets bigger and bigger and bigger, the government takes more of your money just for interest payments. And then it's harder for you to borrow money for your own business, or to afford a new home, or to send a child to college.

That's exactly what's been happening. Once our living standards doubled every 25 years. But at the rate we're going today our living standard won't double for another 100 years -- until our grandchildren's grandchildren are born. That's too long. We must act now to restore the American Dream.

Despite the enormity of this crisis, believe it or not, the status quo still has its defenders -- people who point to hopeful statistics, like the recent increase in productivity and consumer confidence -- and say we should do nothing. Well, American business has been forced to become more competitive in this global economy. And I'm glad that consumer confidence is up since the election. But we're not generating jobs or making headway on these other long-term problems.

My message to you is clear: The price of doing the same old thing is far higher than the price of change. After all, that's why you sent me here -- not to keep this seat warm, but to work for fundamental change; to make Washington work for all Americans, not just the special interests; and to chart a course that will enable us to compete and win in this new world.

Here's the challenge I will offer the Congress and the country on Wednesday. We'll invest in our future by nurturing our children and supporting their education, by rewarding work and family, by creating the jobs of the future and training our people to fill them. Our every effort will reflect what President Franklin Roosevelt called, bold, persistent experimentation, a willingness to stay with things that work and stop things that don't.

Change must begin at the top. That's why I cut the White House staff by 25 percent and ordered federal agencies to cut billions of dollars in administrative costs and to trim 100,000 federal positions by attrition. And in my budget there will be more than 150 specific cuts in government spending programs. Then I'll ask the wealthiest Americans to pay their fair share.

That brings us to those of you who gave the most in the 1980s. I had hoped to invest in your future by creating jobs, expanding education, reforming health care and reducing the debt* without asking more of you. And I've worked harder than I've ever worked in my life to meet that goal. But I can't, because the deficit has increased so much beyond my earlier estimates and beyond even the worst official government estimates from last year. We just have to face the fact that to make the changes our country needs, more Americans must contribute today so that all Americans can do better tomorrow.

But I can assure you of this: You're not going alone anymore. You're not going first. And you're no longer going to pay

* deficit

more and get less. Seventy percent of the new taxes I'll propose -- 70 percent -- will be paid by those who make more than $100,000 a year. And for the first time in more than a decade we're all in this together.

More important, here's the payoff. Our comprehensive plan for economic growth will create millions of long-term, good-paying jobs, including a program to jump-start our economy with another 500,000 jobs in 1993 and 1994. And as we make deep cuts in existing government programs we'll make new investments where they'll do the most good: Incentives to business to create new jobs. Investments in education and training. Special efforts for displaced defense workers. A fairer tax system to ensure that parents who work full-time will no longer raise their children in poverty. Welfare reform to move people from welfare to work. Vaccinations and Head Start opportunities for all children. And a system of affordable quality health care for all Americans.

Our national service plan will throw open the doors of college opportunity to the daughters and sons of the middle class. Then we'll challenge them to give something back to our country as teachers, police officers, community service workers -- taking care of our own right here at home. And we'll do it all while reducing our debt.*

Change this fundamental will not be easy, nor will it be quick. But at stake is the control of our economic destiny. Within minutes of the time I conclude my address to Congress Wednesday night the special interests will be out in force. Those who profited from the status quo will oppose the changes we seek -- the budget cuts, the revenue increases, the new investment priorities. Every step of the way they'll oppose it. Many have already lined the corridors of power with high-priced lobbyists. They are the defenders of decline. And we must be the architects of the future.

I'm confident in our cause because I believe in America and I know we have learned the hard lessons of the 1980s. This is your country. You demonstrated the power of the people in the last election. I urge you to stay informed and to stay involved. If you're vigilant and vocal we can do what we have to do.

On this President's Day, we recall the many times in our history when past Presidents have challenged this nation from this office in times of crisis. If you will join with me, we can create an economy in which all Americans work hard and prosper. This is nothing less than a call to arms to restore the vitality of the American Dream.

When I was a boy, we had a name for the belief that we should all pull together to build a better, stronger nation -- we called it patriotism. And we still do.

Good night, and God bless America.

END 9:10 P.M. EST

* deficit

file

ADDRESS BY THE PRESIDENT
TO A JOINT SESSION OF THE CONGRESS

February 17, 1993

Mr. President, Mr. Speaker, members of the House and the Senate, distinguished Americans here as visitors in this Chamber, as am I.

When Presidents speak to Congress and the nation from this podium, typically, they comment on the full range and challenges and opportunities that face the United States. But this is not an ordinary time, and for all the many tasks that require our attention, I believe tonight one calls on us to focus, to unite, and to act. And that is our economy. For more than anything else, our task tonight as Americans is to make our economy thrive again.

Let me begin by saying that it has been too long, at least three decades, since a President has come and challenged Americans to join him on a great national journey, not merely to consume the bounty of today, but to invest for a much greater one tomorrow.

Like individuals, nations must ultimately decide how they wish to conduct themselves, how they wish to be thought of by those with whom they live, and later, how they wish to be judged by history. Like every individual, man and woman, nations must decide whether they are prepared to rise to the occasions history presents them.

We have always been a people of youthful energy and daring spirit. And at this historic moment, as communism has fallen, as freedom is spreading around the world, as a global economy is taking shape before our eyes, Americans have called for change. And now it is up to those of us in this room to deliver for them.

Our nation needs a new direction. Tonight I present to you a comprehensive plan to set our nation on that new course. I believe we will find our new direction in the basic old values that brought us here over the last two centuries -- a commitment to opportunity, to individual responsibility, to community, to work, to family and to faith. We must now break the habits of both political parties and say their can be no more something for nothing and admit frankly that we are all in this together.

The conditions which brought us as a nation to this point are well-known: Two decades of low productivity, growth, and stagnant wages; persistent unemployment and underemployment; years of huge government deficits and declining investment in our future; exploding health care costs and lack of coverage for millions of Americans; legions of poor children; education and job training opportunities inadequate to the demands of this tough, global economy. For too long we have drifted without a strong sense of purpose or responsibility or community.

And our political system so often has seemed paralyzed by special interest groups, by partisan bickering and by the sheer complexity of our problems. I believe we can do better because we remain the greatest nation on Earth, the world's strongest economy, the world's only military superpower. If we have the vision, the will and the heart to make the changes we must, we can still enter the 21st century with possibilities our parents could not even have imagined, and enter it having secured the American Dream for ourselves and for future generations.

I well remember 12 years ago President Reagan stood at this very podium and told you and the American people that if our national debt were stacked in thousand-dollar bills the stack would reach 67 miles into space. Well, today that stack would reach 267 miles. I tell you this not to assign blame for this problem. There is plenty of blame to go around in both branches of the government and both parties. The time has come for the blame to end. I did not seek this office to place blame. I come here tonight to accept responsibility and I want you to accept responsibility with me. And if we do right by this country, I do not care who gets the credit for it.

The plan I offer you has four fundamental components. First, it shifts our emphasis in public and private spending from consumption to investment -- initially by jump-starting the economy in the short-term, and investing in our people, their jobs, and their incomes over the long run. Second, it changes the rhetoric of the past into the actions of the present by honoring work and families in every part of our public decision-making. Third, it substantially reduces the federal deficit honestly and credibly by using in the beginning the most conservative estimates of government revenues, not, as the Executive Branch has done so often in the past, using the most optimistic ones.

And finally, it seeks to earn the trust of the American people by paying for these plans first with cuts in government waste and efficiency; second, with cuts, not gimmicks, in government spending; and by fairness for a change in the way additional burdens are borne.

Tonight I want to talk with you about what government can do because I believe government must do more. But let me say first that the real engine of economic growth in this country is the private sector. And second, that each of us must be an engine of growth and change. The truth is that as government creates more opportunity in this new and different time, we must also demand more responsibility in turn.

Our immediate priority must be to create jobs, create jobs now. Some people say, well, we're in a recovery and we don't have to do that. Well, we all hope we're in a recovery, but we're sure not creating new jobs. And there's no recovery worth its salt that doesn't put the American people back to work.

To create jobs and guarantee a strong recovery, I call on Congress to enact an immediate package of jobs investments of over $30 billion to put people to work now, to create a half a million jobs. Jobs to rebuild our highways and airports, to renovate housing, to bring new life to rural communities and spread hope and opportunity among our nation's youth. Especially, I want to emphasize after the events of last year in Los Angeles and the countless stories of despair in our cities and in our poor rural communities, this proposal will create almost 700,000 new summer jobs for displaced, unemployed young people alone this summer.

And tonight, I invite America's business leaders to join us in this effort so that together we can provide over one million summer jobs in cities and poor rural areas for our young people.

Second, our plan looks beyond today's business cycle because our aspirations extend into the next century. The heart of this plan deals with the long-term. It is an investment program designed to increase public and private investment in areas critical to our economic future. And it has a deficit reduction program that will increase the savings available for the private sector to invest, will lower interest rates, will decrease the percentage of the federal budget claimed by interest payments, and decrease the risk of financial market disruptions that could adversely affect our economy.

Over the long run, all this will bring us a higher rate of economic growth, improved productivity, more high-quality jobs, and an improved economic competitive position in the world. In order to accomplish both increased investment and deficit reduction, something no American government has ever been called upon to do at the same time before, spending must be cut and taxes must raised.

The spending cuts I recommend were carefully thought through in a way to minimize any adverse economic impact, to capture the peace dividend for investment purposes, and to switch the balance in the budget from consumption to more investment. The tax increases and the spending cuts were both designed to assure that the cost of this historic program to face and deal with our problems will be borne by those who could readily afford it the most. Our plan is designed, furthermore, and perhaps in some ways most importantly, to improve the health of American business through lower interest rates, more incentives to invest, and better trained workers.

Because small business has created such a high percentage of all the new jobs in our nation over the last 10 or 15 years, our plan includes the boldest targeted incentives for small business in history. We propose a permanent investment tax credit for the smallest firms in this country, with revenues of under $5 million. That's about 90 percent of the firms in America employing about 40 percent of the work force, but creating a big majority of the net new jobs for more than a decade.

And we propose new rewards for entrepreneurs who take new risks. We propose to give small business access to all the new technologies of our time. And we propose to attack this credit crunch which has denied small business the credit they need to flourish and prosper.

With a new network of community development banks and $1 billion to make the dream of enterprise zones real, we propose to bring new hope and new jobs to storefronts and factories from South Boston to South Texas to South Central Los Angeles. This plan invests in our roads, our bridges, our transit systems, in high-speed railways and high-tech information systems. And it provides the most ambitious environmental cleanup in partnership with state and local government of our time, to put people to work and to preserve the environment for our future.

Standing as we are on the edge of a new century, we know that economic growth depends as never before on opening up new markets overseas and expanding the volume of world trade. And so, we will insist on fair trade rules in international markets as a part of a national economic strategy to expand trade, including the successful completion of the latest round of world trade talks and the successful completion of a North American Free Trade Agreement, with appropriate safeguards for our workers and for the environment.

At the same time -- and I say this to you in both parties and across America tonight, all the people who are listening -- it is not enough to pass a budget or even to have a trade agreement. The world is changing so fast that we must have aggressive, targeted attempts to create the high-wage jobs of the future. That's what all our competitors are doing. We must give special attention to those critical industries that are going to explode in the 21st century, but that are in trouble in America today like aerospace. We must provide special assistance to areas and to workers displaced by cuts in the defense budget and by other unavoidable economic dislocations.

And, again, I will say we must do this together. I pledge to you that I will do my best to see that business and labor and government work together for a change.

But all of our efforts to strengthen the economy will fail -- let me say this again; I feel so strongly about this -- all of our efforts to strengthen the economy will fail unless we also take this year -- not next year, not five years from now, but this year -- bold steps to reform our health care system.

In 1992, we spent 14 percent of our income on health care, more than 30 percent more than any other country in the world; and yet we were the only advanced nation that did not provide a basic package of health care benefits to all of its citizens. Unless we change the present pattern, 50 percent of the growth in the deficit between now and the year 2000 will be in health care costs. By the year 2000 almost 20 percent of our income will be in health care. Our families will never be secure, our businesses will never be strong and our government will never again be fully solvent until we tackle the health care crisis. We must do it this year.

The combination of the rising cost of care and the lack of care and the fear of losing care are endangering the security and the very lives of millions of our people. And they are weakening our economy every day. Reducing health care costs can liberate literally hundreds of billions of dollars for new investment in growth and jobs. Bringing health costs in line with inflation would do more for the private sector in this country than any tax cut we could give and any spending program we could promote. Reforming health care over the long run is critically essential to reducing not only our deficit but to expanding investment in America.

Later this spring, after the First Lady and the many good people who are helping her all across the country complete their work, I will deliver to Congress a comprehensive plan for health care reform that finally will bring costs under control and provide security to all of our families, so that no one will be denied the coverage they need, but so that our economic future will not be compromised either. We'll have to root out fraud and overcharges, and make sure that paperwork no longer chokes your doctor. We'll have to maintain the highest American standards and the right to choose in a system that is the world's finest for all those who can access it.

But first we must make choices. We must choose to give the American people the quality they demand and deserve with a system that will not bankrupt the country or further drive more Americans into agony.

Let me further say that I want to work with all of you on this. I realize this is a complicated issue. But we must address it. And I believe if there is any chance that Republicans and Democrats who disagree on taxes and spending or anything else could agree on one thing, surely we can all look at these numbers and go home and tell our people the truth. We cannot continue these spending patterns in public or private dollars for health care for less and less and less every year. We can do better.

Perhaps the most fundamental change the new direction I propose offers is its focus on the future and its investment, which I seek in our children. Each day we delay really making a commitment to our children carries a dear cost. Half of the two-year-olds in this country today don't receive the immunizations they need against deadly diseases. Our plan will provide them for every eligible child. And we know now that we will save $10 later for every $1 we spend by eliminating preventable childhood diseases. That's a good investment no matter how you measure it.

I recommend that the Women, Infants and Children's nutrition program be expanded so that every expectant mother who needs the help gets it. We all know that Head Start, a program that prepares children for school is a success story. We all know that it saves money, but today it just reaches barely over one-third of all the eligible children. Under this plan, every eligible child will be able to get a head start.

This is not just the right thing to do, it is the smart thing to do. For every dollar we invest today we'll save $3 tomorrow. We have to start thinking about tomorrow. I've heard that somewhere before.

We have to ask more in our schools of our students, our teachers, our principals, our parents. Yes, we must give them the resources they need to meet high standards, but we must also use the authority and the influence and the funding of the education department to promote strategies that really work in learning. Money alone is not enough. We have to do what really works to increase learning in our schools.

We have to recognize that all of our high school graduates need some further education in order to be competitive in this global economy. So we have to establish a partnership between businesses and education and the government for apprenticeship programs in every state in this country to give our people the skills they need. Lifelong learning must benefit not just young high school graduates, but workers, too, throughout their career.

The average 18-year-old today will change jobs seven times in a lifetime. We have done a lot in this country on worker training in the last few years, but the system is too fractured. We must develop a unified, simplified, sensible, streamlined worker training program so that workers receive the training they need regardless of why they lost their jobs or whether they simply need to learn something new to keep them. We have got to do better on this.

And, finally, I propose a program that got a great response from the American people all across this country last year: A program of national service to make college loans available to all Americans and to challenge them at the same time to give something back to their country as teachers or police officers or community service workers -- to give them the option to pay the loans back, but at tax time, so they can't beat the bill, but to encourage them instead to pay it back by making their country stronger and making their country better and giving us the benefit of their knowledge.

A generation ago when President Kennedy proposed and the United States Congress embraced the Peace Corps, it defined the character of a whole generation of Americans committed to serving people around the world. In this national service program, we will provide more than twice as many slots for people before they go to college to be in national service than ever served in the Peace Corps. This program could do for this generation of members of Congress what the Land Grant College Act did and what the GI Bill did for former congressmen. In the future, historians who got their education through the national service loan will look back on you and thank you for giving America a new lease on life if you meet this challenge.

If we believe in jobs and we believe in learning, we must believe in rewarding work. If we believe in restoring the values that make America special, we must believe that there is dignity in all work, and there must be dignity for all workers.

To those who care for our sick, who tend our children, who do our most difficult and tiring jobs, the new direction I propose will make this solemn, simple commitment: By expanding the refundable earned income tax credit, we will make history. We will reward the work of millions of working poor Americans by realizing the principle that if you work 40 hours a week and you've got a child in the house, you will no longer be in poverty.

Later this year, we will offer a plan to end welfare as we know it. I have worked on this issue for the better part of a decade. And I know from personal conversations with many people that no one -- no one wants to change the welfare system as badly as those who are trapped in it.

I want to offer the people on welfare the education, the training, the child care, the health care they need to get back on their feet, but say, after two years, they must get back to work, too, in private business if possible, in public service if necessary. We have to end welfare as a way of life and make it a path to independence and dignity.

Our next great goal should be to strengthen our families. I compliment the Congress for passing the Family and Medical Leave Act as a good first step. But it is time to do more. This plan will give this country the toughest child support enforcement system it has ever had. It is time to demand that people take responsibility for the children they bring in this world.

And I ask you to help to protect our families against the violent crime which terrorizes our people and which tears our communities apart. We must pass a tough crime bill. I support not only the bill which didn't quite make it to the President's desk last year, but also an initiative to put 100,000 more police officers on the street -- to provide bootcamps for first-time nonviolent offenders for more space for the hardened criminals in jail -- and I support an initiative to do what we can to keep guns out of the hands of criminals.

Let me say this. I will make you this bargain: If you will pass the Brady bill, I'll sure sign it.

Let me say now, we should move to the harder parts.

I think it is clear to every American, including every member of Congress of both parties, that the confidence of the people who pay our bills in our institutions in Washington is not high. We must restore it. We must begin again to make government work for ordinary taxpayers, not simply for organized interest groups. And that beginning must start with real political reform.

I am asking the United States Congress to pass a real campaign finance reform bill this year. I ask you to increase the participation of the American people by passing the motor voter bill promptly. I ask you to deal with the undue influence of special interest by passing a bill to end the tax deduction for lobbying and to act quickly to require all the people who lobby you to register as lobbyists by passing the lobbying registration bill.

Believe me, they were cheering that last section at home.

I believe lobby reform and campaign finance reform are a sure path to increased popularity for Republicans and Democrats alike because it says to the voters back home, "This is your House. This is your Senate. We're your hired hands. And every penny we draw is your money."

Next, to revolutionize government we have to ensure that we live within our means, and that should start at the top and with the White House. In the last few days I have announced a cut in the White House staff of 25 percent, saving approximately $10 million. I have ordered administrative cuts in budgets of agencies and departments. I have cut the federal bureaucracy -- or will over the next four years -- by approximately 100,000 positions, for a combined savings of $9 billion. It is time for government to demonstrate in the condition we're in that we can be as frugal as any household in America.

And that's why I also want to congratulate the Congress. I notice the announcement of the leadership today that Congress is taking similar steps to cut its costs. I think that is important. I think it will send a very clear signal to the American people.

But if we really want to cut spending we're going to have to do more, and some of it will be difficult. Tonight I call for an across-the-board freeze in federal government salaries for one year. And thereafter, during this four-year period, I recommend that salaries rise at one point lower than the cost of living allowance normally involved in federal pay increases.

Next, I recommend that we make 150 specific budget cuts, as you know, and that all those who say we should cut more be as specific as I have been.

Finally, let me say to my friends on both sides of the aisle, it is not enough simply to cut government, we have to rethink the whole way it works. When I became President I was amazed at just the way the White House worked in ways that added lots of money to what taxpayers had to pay -- outmoded ways that didn't take maximum advantage of technology and didn't do things that any business would have done years ago to save taxpayers' money.

So I want to bring a new spirit of innovation into every government department. I want to push education reform, as I said, not just to spend more money, but to really improve learning. Some things work and some things don't. We ought to be subsidizing the things that work and discouraging the things that don't. I'd like to use that superfund to clean up pollution for a change and not just pay lawyers.

In the aftermath of all the difficulties with the savings and loans, we must use federal bank regulators to protect the security and safety of our financial institutions, but they should not be used to continue the credit crunch and to stop people from making sensible loans.

I'd like for us to not only have welfare reform but to reexamine the whole focus of all of our programs that help people to shift them from entitlement programs to empowerment programs. In the end we want people not to need us anymore. I think that's important.

But in the end we have to get back to the deficit. For years there's been a lot of talk about it, but very few credible efforts to deal with it. And now I understand why, having dealt with the real numbers for four weeks. But I believe this plan does -- it tackles the budget deficit seriously and over the long-term. It puts in place one of the biggest deficit reductions and one of the biggest changes in federal priorities from consumption to investment in the history of this country at the same time over the next four years.

Let me say to all the people watching us tonight, who will ask me these questions beginning tomorrow as I go around the country and who've asked it in the past, we're not cutting the deficit just because experts say it's the thing to do or because it has some intrinsic merit. We have to cut the deficit because the more we spend paying off the debt, the less tax dollars we have to invest in jobs and education and the future of this country. And the more money we take out of the pool of available savings, the harder it is for people in the private sector to borrow money at affordable interest rates for a college loan for their children, for a home mortgage, or to start a new business.

That's why we've got to reduce the debt -- because it is crowding out other activities that we ought to be engaged in and that the American people ought to be engaged in. We cut the deficit so that our children will be able to buy a home, so that our companies can invest in the future and in retraining their workers, so that our government can make the kinds of investments we need to be a stronger and smarter and safer nation.

If we don't act now, you and I might not even recognize this government 10 years from now. If we just stay with the same trends of the last four years, by the end of the decade the deficit will be $635 billion a year, almost 80 percent of our gross domestic product. And paying interest on that debt will be the costliest government program of all. We'll still be the world's largest debtor. And when members of Congress come here, they'll be devoting over 20 cents on the dollar to interest payments, more than half of the budget to health care and to other entitlements. And you'll come here and deliberate and argue over six or seven cents on the dollar, no matter what America's problems are.

We will not be able to have the independence we need to chart the future that we must. And we'll be terribly dependent on foreign funds for a large portion of our investment.

This budget plan by contrast will, by 1997, cut $140 billion in that year alone from the deficit. A real spending cut, a real revenue increase, a real deficit reduction, using the independent numbers of the Congressional Budget Office. Well, you can laugh, my fellow Republicans, but I'll point out that the Congressional Budget Office was normally more conservative in what was going to happen and closer to right than previous Presidents have been.

I did this so that we could argue about priorities with the same set of numbers. I did this so that no one could say I was estimating my way out of this difficulty. I did this because if we can agree together on the most prudent revenues we're likely to get, if the recovery stays and we do right things economically, then it will turn out better for the American people than we say than the last 12 years. Because there were differences over the revenue estimates, you and I know that both parties were given greater elbow room for irresponsibility. This is tightening the rein on the Democrats as well as the Republicans. Let's at least argue about the same set of numbers so the American people will think we're keeping straight with them.

As I said earlier, my recommendation makes more than 150 difficult reductions to cut the federal spending by a total of $246 billion. We are eliminating programs that are no longer needed, such as nuclear power research and development. We're slashing subsidies and canceling wasteful projects. But many of these programs were justified in their time, and a lot of them are difficult for me to recommend reductions in. Some really tough ones for me personally.

I recommend that we reduce interest subsidies to the Rural Electric Administration. That's a difficult thing for me to recommend. But I think that I cannot exempt the things that exist in my state, or in my experience, if I ask you to deal with things that are difficult for you to deal with. We're going to have to have no sacred cows except the fundamental abiding interest of the American people.

I have to say that we all know our government has been just great at building programs. The time has come to show the American people that we can limit them, too; that we can not only start things, that we can actually stop things.

About the defense budget, I raise a hope and a caution. As we restructure our military forces to meet the new threats of the post-Cold War world, it is true that we can responsibly reduce our defense budget. And we may all doubt what that range of reductions is. But let me say that as long as I am President, I will do everything I can to make sure that the men and women who serve under the American Flag, will remain the best-trained, the best-prepared, the best-equipped fighting force in the world. And every one of you should make that solemn pledge. We still have responsibilities around the world. We are the world's only superpower. This is still a dangerous and uncertain time. And we owe it to the people in uniform to make sure that we adequately provide for the national defense and for their interests and needs.

Backed by an effective national defense and a stronger economy, our nation will be prepared to lead a world challenged -- as it is everywhere -- by ethnic conflict, by the proliferation of weapons of mass destruction, by the global democratic revolution and by challenges to the health of our global environment.

I know this economic plan is ambitious, but I honestly believe it is necessary for the continued greatness of the United States. And I think it is paid for fairly, first by cutting government, then by asking the most of those who benefited the most in the past, and by asking more Americans to contribute today so that all of us can prosper tomorrow.

For the wealthiest -- those earning more than $180,000 per year -- I ask you all who are listening tonight to support a raise in the top rate for federal income taxes from 31 to 36 percent. We recommend a 10 percent surtax on incomes over $250,000 a year -- and we recommend closing some loopholes that let some people get away without paying any tax at all.

For businesses with taxable incomes in excess of $10 million we recommend a raise in the corporate tax rate also to 36 percent, as well as a cut in the deduction for business entertainment expenses. Our plan seeks to attack tax subsidies that actually reward companies more for shutting their operations down here and moving them overseas than for staying here and reinvesting in America.

I say that as someone who believes that American companies should be free to invest around the world and, as a former governor who actively sought investment of foreign companies in my state, but the tax code should not express a preference to American companies for moving somewhere else. And it does in particular cases today.

We will seek to ensure that through effective tax enforcement foreign corporations who do make money in America simply pay the same taxes that American companies make on the same income.

To middle class Americans who have paid a great deal for the last 12 years and from whom I ask a contribution tonight, I will say again as I did on Monday night, you're not going alone anymore, you're certainly not going first and you're not going to pay more for less as you have too often in the past.

I want to emphasize the facts about this plan: 98.8 percent of America's families will have no increase in their income tax rates -- only 1.2 percent at the top. Let me be clear: There will also be no new cuts in benefits for Medicare. As we move toward the fourth year, with the explosion in health care costs, as I said, projected to account for 50 percent of the growth of the deficit between now and the year 2000, there must be planned cuts in payments to providers -- to doctors, to hospitals, to labs -- as a way of controlling health care costs. But I see these only as a stop-gap until we can reform the entire health care system. If you'll help me do that, we can be fair to the providers and to the consumers of health care.

Let me repeat this, because I know it matters to a lot of you on both sides of the aisle. This plan does not make a recommendation for new cuts in Medicare benefits for any beneficiary. Secondly, the only change we are making in Social Security is one that has already been publicized. The plan does ask older Americans with higher incomes who do not rely solely on Social Security to get by to contribute more. This plan will not affect the 80 percent of Social Security recipients who do not pay taxes on Social Security now. Those who do not pay tax on Social Security now will not be affected by this plan.

Our plan does include a broad-based tax on energy. And I want to tell you why I selected this and why I think it's a good idea. I recommend that we adopt a BTU tax on the heat content of energy as the best way to provide us with revenue to lower the deficit because it also combats pollution, promotes energy efficiency, promotes the independence economically of this country, as well as helping to reduce the debt, and because it does not discriminate against any area -- unlike a carbon tax that's not too hard on the coal states; unlike a gas tax that's not too tough on people who drive a long way to work; unlike an ad valorem tax it doesn't increase just when the price of an energy source goes up. And it is environmentally responsible. It will help us in the future as well as in the present with the deficit.

Taken together these measures will cost an American family with an income of about $40,000 a year less than $17 a month. It will cost American families with incomes under $30,000 nothing, because of other programs we propose -- principally those raising the earned income tax credit.

Because of our publicly-stated determination to reduce the deficit, if we do these things, we will see the continuation of what's happened just since the election. Just since the election, since the Secretary of the Treasury, the Director of the Office of Management and Budget and others who have begun to speak out publicly in favor of a tough deficit reduction plan, interest rates have continued to fall long-term. That means that for the middle class, who will pay something more each month, if they had any credit needs or demands their increased energy costs will be more than offset by lower interest costs for mortgages, consumer loans, credit cards. This can be a wise investment for them and their country now.

I would also point out what the American people already know, and that is, because we're a big, vast country where we drive long distances, we have maintained far lower burdens on energy than any other advanced country. We will still have far lower burdens on energy than any other advanced country. And these will be spread fairly, with real attempts to make sure that no cost is imposed on families with incomes under $30,000 and that the costs are very modest until you get into the higher income groups where the income taxes trigger in.

Now, I ask all of you to consider this: Whatever you think of the tax program, whatever you think of the spending cuts, consider the cost of not changing. Remember the numbers that you all know. If we just keep on doing what we're doing, by the end of the decade we'll have a $650-billion-a-year deficit. If we just keep on doing what we're doing, by the end of the decade, 20 percent of our national income will go to health care every year -- twice as much as any other country on the face of the globe. If we just keep on doing what we're doing, over 20 cents on the dollar will have to go to service the debt.

Unless we have the courage now to start building our future and stop borrowing from it, we're condemning ourselves to years of stagnation interrupted by occasional recessions, to slow-growth in jobs, to no more growth in income, to more debt, to more disappointment. Worse yet -- unless we change, unless we increase investment and reduce the debt, to raise productivity so that we can generate both jobs and incomes, we will be condemning our children and our children's children to a lesser life than we enjoyed.

Once Americans looked forward to doubling their living standards every 25 years. At present productivity rates, it will take 100 years to double living standards, until our grandchildren's grandchildren are born. I say that is too long to wait.

Tonight the American people know we have to change. But they're also likely to ask me tomorrow and all of you for the weeks and months ahead whether we have the fortitude to make the changes happen in the right way. They know that as soon as I leave this Chamber and you go home, various interest groups will be out in force lobbying against this or that piece of this plan. And that the forces of conventional wisdom will offer a thousand reasons why we well ought to do this but we just can't do it.

Our people will be watching and wondering, not to see whether you disagree with me on a particular issue, but just to see whether this is going to be business as usual or a real new day. Whether we're all going to conduct ourselves as if we know we're working for them. We must scale the walls of the people's skepticisms, not with our words but with our deeds.

After so many years of gridlock and indecision, after so many hopeful beginnings and so few promising results, the American people are going to be harsh in their judgments of all of us if we fail to seize this moment.

This economic plan can't please everybody. If the package is picked apart, there will be something that will anger each of us, won't please anybody. But if it is taken as a whole, it will help all of us.

So I ask you all to begin by resisting the temptation to focus only on a particular spending cut you don't like or some particular investment that wasn't made. And nobody likes the tax increases, but let's just face facts. For 20 years, through administrations of both parties, incomes have stalled and debt has exploded, and productivity has not grown as it should. We cannot deny the reality of our condition. We have got to play the hand we were dealt and play it as best we can.

My fellow Americans, the test of this plan cannot be what is in it for me, it has got to be what is in it for us.

If we work hard and if we work together, if we rededicate ourselves to creating jobs, to rewarding work, to strengthening our families, to reinventing our government, we can lift our country's fortunes again.

Tonight, I ask everyone in this Chamber and every American to look simply into your heart, to spark your own hopes, to fire your own imagination. There is so much good, so much possibility, so much excitement in this country now, that if we act boldly and honestly, as leaders should, our legacy will be one of prosperity and progress. This must be America's new direction. Let us summon the courage to seize it.

Thank you. God bless America.

William J Clinton

2/16/93
9:50 am

THE WHITE HOUSE

WASHINGTON

February 16, 1993

MEMORANDUM FOR JOHN D. PODESTA

FROM: TIM SAUNDERS
Deputy Executive Clerk

SUBJECT: Ambassador Joseph Monroe Segars

Genta Hawkins Holmes, the Director General of the Foreign Service and Director of Personnel, Department of State, has requested that new letters of Credence and Recall be signed by the President for Ambassador Segars to present to the Government of Cape Verde (attached). We have been advised that Ms. Holmes also informally cleared this request with Brian Atwood, Under Secretary of State for Management-designate.

Ambassador Segars, a Career Member of the Senior Foreign Service, was nominated to be Ambassador to Cape Verde on June 2, 1992, confirmed by the Senate on July 2, 1992, and appointed on July 14, 1992. However, he did not arrive in Cape Verde to assume post until early January of this year and the Government of Cape Verde has advised that the Ambassador must present new credentials signed by President Clinton. We have been informally advised by the Department that this time lag between an Ambassador's appointment and arrival at his or her post is not uncommon.

If approved, we will return the signed credentials to the Department.

2/19/93

Tim -

John Podesta has approved for Presidential signature (WJC)

Julie Nash

United States Department of State

Director General of the Foreign Service and Director of Personnel

Washington, D.C. 20520

February 11, 1993

TO: The Honorable
John D. Podesta
Assistant to the President and Staff Secretary

FROM: Genta Hawkins Holmes

SUBJECT: New Letters of Credence and Recall for Ambassador Joseph Monroe Segars

Joseph Monroe Segars, a career Foreign Service Officer, Class of Counselor, was appointed in 1992 as Ambassador to the Republic of Cape Verde and arrived in Praia in early January 1993 to assume his ambassadorial duties. At that time he presented copies to the Ministry of Foreign Affairs of the official Letters of Credence and Recall signed by President Bush, pending a formal presentation ceremony with the President of Cape Verde. According to Ambassador Segars, the Ministry of Foreign Affairs has now advised that he must present credentials signed by President Clinton as the current U.S. Head of State before a formal presentation ceremony with President Mascarenhas can be scheduled.

There was a similar case in 1989 during the Reagan-Bush transition with credentials for the new U.S. Ambassador to Yugoslavia and the matter was resolved with amended language in the Letter of Credence. Attached are new accreditation credentials for signature by the President with the amended language in the Letter of Credence. The Letter of Recall language remains the same.

We would appreciate President Clinton signing the new credentials so Ambassador Segars can become fully accredited to the Government of the Republic of Cape Verde.

Attachments:
As stated.

Chron

DATE: 2/19/93

TO: Dr. Gibbons

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

No action required.

Document No.______________

WHITE HOUSE STAFFING MEMORANDUM

DATE: ______________ ACTION/CONCURRENCE/COMMENT DUE BY: ______________

SUBJECT: ______________

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☐	PASTER	☐	☐
McLARTY	☐	☐	RASCO	☐	☐
GEARAN	☐	☐	RUBIN	☐	☐
PANETTA	☐	☐	SEGAL	☐	☐
EMANUEL	☐	☐	STEPHANOPOULOS	☐	☐
GIBBONS	☐	☑	VARNEY	☐	☐
HALE	☐	☐	WATKINS	☐	☐
HERMAN	☐	☐	WILLIAMS	☐	☐
LAKE	☐	☐	______	☐	☐
LINDSEY	☐	☐	______	☐	☐
MONTOYA	☐	☐	______	☐	☐
NUSSBAUM	☐	☐	______	☐	☐

REMARKS: NO ACTION REQUIRED

RESPONSE:

JOHN D. PODESTA
Assistant to the President
and Staff Secretary
Ext. 2702

ID# 002188

THE WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET

INCOMING

DATE RECEIVED: FEBRUARY 09, 1993

NAME OF CORRESPONDENT: THE HONORABLE HOWARD W. CANNON

SUBJECT: ENCLOSED INFORMATION ON THE BARRY GOLDWATER SCHOLARSHIP AND EXCELLENCY IN EDUCATION FOUNDATION ACT (ACCORDANCE WITH PUBLIC LAW 99-661)

ROUTE TO: OFFICE/AGENCY (STAFF NAME)	ACTION: ACT CODE	ACTION: DATE YY/MM/DD	DISPOSITION: TYPE RESP	DISPOSITION: C D	DISPOSITION: COMPLETED YY/MM/DD
RONALD GEISLER	ORG	93/02/09		C	93/02/10
REFERRAL NOTE:					
SS John Podesta	A	93/02/10			/ /
REFERRAL NOTE:					
		/ /			/ /
REFERRAL NOTE:					
		/ /			/ /
REFERRAL NOTE:					
		/ /			/ /
REFERRAL NOTE:					

COMMENTS: Not for the President's Transmittal to the Congress.

ADDITIONAL CORRESPONDENTS: MEDIA:L INDIVIDUAL CODES:

MI MAIL USER CODES: (A)____ (B)____ (C)____

ACTION CODES:	DISPOSITION	OUTGOING CORRESPONDENCE:
A-APPROPRIATE ACTION	A-ANSWERED	TYPE RESP=INITIALS OF SIGNER
C-COMMENT/RECOM	B-NON-SPEC-REFERRAL	CODE = A
D-DRAFT RESPONSE	C-COMPLETED	COMPLETED = DATE OF OUTGOING
F-FURNISH FACT SHEET	S-SUSPENDED	
I-INFO COPY/NO ACT NEC		
R-DIRECT REPLY W/COPY		
S-FOR-SIGNATURE		
X-INTERIM REPLY		

REFER QUESTIONS AND ROUTING UPDATES TO CENTRAL REFERENCE (ROOM 75,OEOB) EXT-2590
KEEP THIS WORKSHEET ATTACHED TO THE ORIGINAL INCOMING LETTER AT ALL TIMES AND SEND COMPLETED RECORD TO RECORDS MANAGEMENT.

002188

BARRY M. GOLDWATER SCHOLARSHIP AND EXCELLENCE IN EDUCATION FOUNDATION

499 South Capitol Street, SW, Suite 405, Washington, DC 20003-4013
(202) 755-2312

December 31, 1992

The President
The White House
Washington, DC 20500

Dear Mr President:

In accordance with Public Law 99-661, the Barry Goldwater Scholarship and Excellence in Education Foundation Act, I am forwarding the Annual Report of the activities of the Goldwater Foundation.

During FY 1992, the Goldwater Foundation awarded 276 scholarships to college sophomores and juniors pursuing careers in mathematics and the natural sciences from colleges and universities nationwide.

The Foundation has now funded a total of 776 Goldwater Scholars since its inception and plans to award as many as 300 scholarships in FY 1993.

On behalf of all the Members of the Board of Trustees, I would like to express our thanks for your continuing support to this most important program.

Sincerely,

Howard W. Cannon

HOWARD W. CANNON
Chairman

Enclosure

ANNUAL REPORT FOR FISCAL YEAR 1992
TO THE PRESIDENT AND TO THE CONGRESS
OF THE UNITED STATES
(PUBLIC LAW 99-661)

PURPOSE OF THE FOUNDATION

The Barry M. Goldwater Scholarship and Excellence in Education Foundation is a federally endowed agency established by Congress by Public Law 99-661 on November 14, 1986 in recognition of Senator Goldwater's fifty-six years of service to the United States as a soldier and statesman, including thirty years as a U.S. Senator.

Due to Senator Goldwater's long standing special interest in the education of America's youth, particularly in the fields of Science and Mathematics, Senator Sam Nunn, in the FY 1987 Defense Authorization Bill, proposed a scholarship program encouraging outstanding students to pursue careers in these fields.

The Scholarship Program, designed to foster and encourage excellence in science and mathematics, was established as a tribute to the leadership, courage and vision of Senator Barry Goldwater.

BOARD OF TRUSTEES

The Foundation is governed by thirteen Trustees, who serve without pay: eight, not more than four of whom shall be of the same political party, appointed by the President with the advice and consent of the Senate; two members from the Senate, one appointed by the majority leader and one appointed by the minority leader of the Senate; two members from the House of Representatives, one appointed by the majority leader and one appointed by the minority leader of the House of Representatives; and serving ex-officio, the Secretary of Education.

The Foundation's first Trustees nominated by President Reagan and confirmed by the Senate during 1987 and 1988 were:

Honorable Howard W. Cannon
Honorable Dean Burch
Honorable Barry Goldwater, Jr.
Mr Sam Keith
Dr Hans Mark
Mr Thomas Pownall
Lt Gen William Quinn, USA (Ret)
Honorable R. James Woolsey
Honorable Lauro Cavazos - Ex-Officio

Appointed by the Majority and Minority Leaders of the House and Senate:

Honorable John McCain
Honorable David O'B Martin
Honorable G.V. Sonny Montgomery
Honorable Sam Nunn

The Foundation officially began operations on September 25, 1988 and the following officers were elected by the Board of Trustees:

Chairman - Honorable Howard W. Cannon
Vice Chairman - Honorable Dean Burch
Executive Secretary - Mr Gerald J. Smith
General Counsel - Mr Jeffrey H. Smith, Esq - (Pro Bono)

During 1992, the commissions of two Trustees, Senator Howard W. Cannon and Dr Timothy Tong expired, leaving three current vacancies on the Board. Representative David O'B Martin, who is leaving Congress at the end of this term, resigned in October 1992 and was replaced by Representative Bob Stump of Arizona.

Former members of the Board of Trustees are:

Name	Date of Commission	Length of Term	Date of Expiration
Mr Sam E. Keith	8/12/88	4 Years	Deceased
Hon Dean Burch	10/14/87	6 Years	Deceased
Dr Hans M. Mark	4/18/88	2 Years	4/17/90
Amb R. James Woolsey	8/12/88	2 Years	8/11/90
Mr Thomas G. Pownall	2/5/88	2 Years	2/4/90
Hon Howard W. Cannon	3/4/88	4 Years	3/4/92
Hon David O'B Martin	1/27/87	6 Years	10/28/92
Dr Timothy Tong	2/7/91	2 Years	8/11/92

Current members of the Board of Trustees and their commissions are:

Name	Date of Commission	Length of Term	Date of Expiration
Hon Howard W. Cannon Chairman	3/4/88	4 Years	reappointed
Hon Barry Goldwater, Jr	5/6/88	6 Years	5/6/94
Dr Hans M. Mark	2/5/91	5 Years	4/17/96
Hon Sam Nunn	2/4/87	6 Years	2/4/93
Hon John McCain	3/4/87	6 Years	3/4/93
Hon Bob Stump	10/28/92	6 Years	10/28/98
Hon G.V. Sonny Montgomery	1/27/87	6 Years	1/27/93
L/Gen William Quinn	10/14/87	6 Years	10/14/93
Mr Donald J. Sutherland	2/7/91	5 Years	8/11/96
Mr Charles Szu	7/17/91	5 Years	2/4/96
Hon Lamar Alexander	Ex-Officio		1/20/96

THE GOLDWATER SCHOLARSHIP PROGRAM

The general guidelines and other information regarding the Goldwater Scholarship Program are fully explained in the Foundation's 1993 Bulletin of Information at Appendix A.

In May 1992, the Board of Trustees of the Barry M. Goldwater Scholarship and Excellence in Education Foundation awarded 276 one and two year scholarships for the 1992-93 academic year to college sophomores and juniors for use during their remaining undergraduate studies.

The Goldwater Scholars were selected based on academic merit from a field of approximately 1850 mathematics, science and engineering students nominated by the faculties of more than 900 colleges and universities nationwide.

The scholarships cover the cost of tuition, fees, books and room and board up to a maximum of $7,000 annually. Scholars are eligible for two years of support.

The Goldwater Scholars have very impressive academic qualifications in a wide variety of scientific, mathematics and engineering disciplines and intend to pursue a Phd and careers in those fields. Four Goldwater Scholars were among the thirty two Rhodes Scholars selected in 1992.

The names of the Goldwater Scholars for the 1992-93 school year, as well as those selected the previous years, are listed in Appendix B.

FINANCIAL SUMMARY

In FY 1992, the Foundation Trustees authorized a maximum expenditure of $2,814,000 to Goldwater Scholars payable over three fiscal years. Total administrative expenses incurred in connection with the above grants and for the identification, nomination and selection process of the 1992-93 Goldwater Scholars was $415,000. A financial statement for FY 1990 is included at Appendix C.

BOARD OF TRUSTEES ACTIVITIES

The Board of Trustees met once this year on April 23, 1992. The Trustees, decided to award 276 undergraduate scholarships, an increase of 13% over last year. They reiterated their belief that the undergraduate scholarship program represents the best and most cost effective expenditure of Foundation funds in encouraging promising young scientists, mathematicians and engineers to continue the pursuit of careers in these critical fields. The Trustees also intend to award up to 300 undergraduate scholarships during the 1993-94 school year.

Nineteen-ninety two was the first year in which engineering students were included in the Goldwater competition. Twenty six engineering scholars were selected along with 43 Mathematics, 40 Physics, 80 Biology, 49 Chemistry and 38 scholars with combined mathematics and science majors.

The Trustees reaffirmed the Foundation Endowment Fund reinvestment policy, which dictates that a minimum of 25% of the annual return on investments be returned to the fund to maintain its viability. To date, the annual reinvestment has always exceeded 25% of those returns. Without such a reinvestment policy, the Foundation, maintaining the current level of annual expenditures, would have to reduce the fund "corpus" in the near future in order to meet annual costs.

1993/94 PROGRAM

In September 1992 the Foundation initiated its fifth undergraduate scholarship program. More than 2000 colleges and universities nationwide have indicated a desire to participate in the 1993-94 program, a significant increase over last year.

Howard W. Cannon

HOWARD W. CANNON
Chairman

G. J. Smith

GERALD J. SMITH
Executive Secretary

Jeffrey H. Smith

JEFFREY H. SMITH
General Counsel

APPENDICES

Appendix A - Bulletin of Information 1992-93

Appendix B - 1992 Goldwater Scholars

Appendix C - 1992 Financial Summary

BARRY GOLDWATER SCHOLARSHIP AND
EXCELLENCE IN EDUCATION FOUNDATION
BUDGET SUMMARY

(Cumulative Oct 30, 1986 Through Sep 30, 1992)

Appropriations - October 30, 1986		$40,000,000
Gifts		535
Interest Income		19,313,770
Current year recoveries		1,957
Less:	Scholarships	5,407,563
	Administrative Expenses	1,316,870
TOTAL ASSETS		52,591,829

FY92 Obligations

11.1	Personnel Compensation	156,000
12.1	Personnel Benefits	33,000
21.0	Travel / Transportation	3,000
23.2	Rent	29,000
23.3	Communications / Utilities / Misc	2,000
24.0	Printing	2,000
25.0	Other Services	183,000
26.0	Supplies / Materials	1,000
26.0	Equipment	6,000
TOTAL ADMINISTRATIVE EXPENSES		415,000
41.0	Scholarships	2,562,000
TOTAL OUTLAYS		2,977,000

[redacted]

THE WHITE HOUSE
WASHINGTON

DATE: 2/19

TO: CLERK

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

Copy to Tom Shea

[redacted]

[redacted]

Podesta

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D. C. 20426

OFFICE OF THE COMMISSIONER

93 FEB 16 P5:46

February 16, 1993

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

Dear Mr. President:

This is to inform you that I plan to resign as a Member of the Federal Energy Regulatory Commission in the spring of 1993. The exact date is left open subject to consultation with your staff based on any need for regulatory continuity.

I have found great fulfillment in public service, and I am mindful of, and thankful for, the honor and opportunity afforded by my appointment to this position. However, I have decided, after consultation with my family, that it is time to return to the private sector after twelve years of full time and part time state and federal public service.

Allow me to close with my personal wish for your continued good health and for success in your Presidency.

Respectfully,

Branko Terzic

Branko Terzic
Commissioner

THE WHITE HOUSE
WASHINGTON

DATE: 2/18/93

TO: V.P., Panetta, Rubin, George & Mack

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

The attached has been forwarded to the President.

THE WHITE HOUSE

WASHINGTON

0667

February 18, 1993

INFORMATION

MEMORANDUM TO THE PRESIDENT

FROM: ANTHONY LAKE

SUBJECT: Overview of Defense Budget

The $1.03 trillion Fiscal Year (FY) 1994-1997 defense budget (Budget Authority) contained in the economic plan you will present to Congress this evening is fully consistent with the positions on military spending and reducing the Federal deficit you took during the campaign. Your proposals for military spending reflect defense program reductions from the revised $1.12 trillion Bush/Cheney FY 94-97 baseline of $59.968 billion. This figure is just under the $60 billion you pledged to trim from this mark. Your proposed defense budget also projects actual expenditures (Outlays) in FY 1997 of $249 billion. This means that defense will contribute its fair share ($26 billion) to the $145 billion in total reductions to Federal spending for that year -- thereby meeting your pledge to cut the FY 1997 deficit by half (as compared to the August 1992 CBO estimate for that year).

There are, however, two aspects of your military spending proposals which critics will point to in claiming that you have slashed military spending well beyond the level you promised during the campaign and which, therefore, will require careful explanation.

First, in addition to the $60 billion in program cuts, your military spending plan for FY 1994-97 includes roughly $18 billion (BA) which we are calling "Pay and Benefits Adjustments." Critics will add this to the $60 billion and charge that the resulting total -- $78 billion -- is 27% deeper than you pledged during the campaign. To rebut this charge, Administration officials and spokespersons must emphasize that military and DOD civilian workers are not having their pay cut, nor are they being singled out for special treatment. Rather, like all government workers, they will not be receiving the same amount of pay increases as had been projected by the last administration. This adjustment is being levied government-wide as part of your austerity program.

Second, critics will point to the $10 billion (BA) debit which we are labelling "Reductions to offset underpricing of Bush programs" and charge (a) that these additional reductions can only be achieved through program cuts and (b) that in combination with the pay adjustment and the original $60 billion in program cuts, you are proposing to slash military spending over the four years by $88 billion -- 43% more than advertised. We must explain that:

-- At the time you made your $60 billion reduction pledge, you assumed that the Bush/Cheney defense spending plan for FY 1994-1997 would reflect honest budget assumptions.

-- Serious questions have since been raised as to whether the Bush/Cheney plan is significantly underfunded due to overestimation of potential management reform savings and underpricing of weapons acquisition programs.

-- We do not know if the program is underfunded or, if so, the extent of the underfunding. Secretary Aspin has, however, established a special task force (the Odeen panel) to get to the bottom of this.

-- We hope the Odeen panel will report that there is no shortfall. But as a prudent <u>hedge</u> against the possibility that there is a substantial shortfall, we have increased our estimate of the cost of the FY 94-97 Bush/Cheney baseline by $10 billion (BA) and projected a possible requirement to offset this through additional reductions of the same amount.

-- We have made no decisions how this $10 billion (BA) offset would be achieved <u>if</u> it turns out that a shortfall of this magnitude exists. If we do have to identify another $10 billion in reductions, we would consider many options, including finding additional efficiencies in defense overhead or operations or achieving greater savings through increased streamlining of Armed Forces roles and missions (changes that go beyond the modest changes recommended in General Powell's recent report).

In sum, both Congress and the military appear favorably disposed to support your defense spending plan as long as it can be shown to be consistent with the position you articulated during the campaign. In this sense, then, our success on the Hill and in the Pentagon will in large measure rest on our ability to explain why the $18 billion in pay and benefit reductions and $10 billion in Bush/Cheney shortfall offsets should <u>not</u> be seen as going beyond your campaign position.

Chron

THE WHITE HOUSE
WASHINGTON

DATE: 02/18/93

NOTE FOR: HOWARD PASTER
ROBERT RUBIN
CAROL RASCO

The President has reviewed the attached, and it is forwarded to you for your:

Information ☐

Action ☒X

Howard, Please prepare a response coordinating with Carol Rasco and Bob Rubin.

Thank you.

JOHN D. PODESTA
Assistant to the President
and Staff Secretary
(x2702)

cc:

To Craig
Bo Cutter

Can we incorporate this in our plans? She's a good person & v. important to me — let me know —

MAXINE WATERS
MEMBER OF CONGRESS
35TH DISTRICT, CALIFORNIA

COMMITTEES:
BANKING, FINANCE AND URBAN AFFAIRS
VETERANS' AFFAIRS

Congress of the United States
House of Representatives
Washington, DC 20515-0535

PLEASE REPLY TO:
1207 LONGWORTH HOUSE OFFICE BLDG.
☐ WASHINGTON, DC 20515-0535
(202) 225-2201
FAX (202) 225-7854

DISTRICT OFFICE:
10124 S. BROADWAY
SUITE 1
☐ LOS ANGELES, CA 90003
(213) 757-8900
FAX (213) 757-9506

February 16, 1993

President Bill Clinton
The White House
1600 Pennsylvania Ave., NW
Washington, D.C.

Dear Mr. President:

I plan to introduce the Waters "Urban Youth and Young Adult Empowerment Initiative" this week. This four bill package is an integrated, comprehensive set of programs designed to give inner city young people a fair chance to empower themselves.

In particular, I would like to call your attention to two specific pieces of legislation which comprise the most significant components in my program. Both bills are relevant to the economic stimulus package that you will discuss this week and Congress will consider soon.

First, the "Neighborhood Infrastructure Improvement and Inner City Job Creation Act" takes the idea of repairing infrastructure and assures that the economic benefit to be derived both in terms of jobs <u>and</u> the placement of the physical improvements reaches inner cities. Too often, infrastructure jobs employ only semi- or highly skilled workers in specific crafts. My legislation targets high poverty areas for more modest physical improvements and beautification, and would employ workers who do not necessarily know a trade or even have previous work experience. This is a crucial component of any economic stimulus strategy.

Second, I have included the "Job and Life Skills Improvement Act." This bill is based on a job training program that was contained in the urban aid bill, passed by both Chambers and vetoed last year. It was the only newly authorized program contained in that legislation. This program is a stipend-based, comprehensive service training program which serves people aged 14 - 30 years of age. As you know from touring the Maxine Waters Employment Preparation Center last year, there is an incredible demand for this approach to job training. Moreover, by earning a wage, participants could afford to learn a skill. Stipends are an integral element of any broad-based training program for poor communities.

I would hope you would seriously consider working these two bills into the proposal you will offer Congress next week. They are both absolutely necessary parts of a program to include poor people and unskilled workers in a program of national economic renewal. I look forward to working with you in the near future to solve these most difficult problems.

Sincerely,

Maxine Waters

MAXINE WATERS

MW/bz

103D CONGRESS
1ST SESSION

H. R. ____

IN THE HOUSE OF REPRESENTATIVES

Ms. WATERS introduced the following bill; which was referred to the Committee on ____________

A BILL

To provide grants to cities to establish teen resource and education centers to provide education, employment, recreation, social, and cultural awareness assistance to at-risk youth.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Teen Resource and Education Centers Act of 1993".

SEC. 2. GRANTS TO CITIES TO PROVIDE EDUCATION, EMPLOYMENT, RECREATION, SOCIAL, AND CULTURAL AWARENESS ASSISTANCE TO AT-RISK YOUTH.

The Secretary of Health and Human Services, in consultation with the Secretary of Education, shall, from amounts appropriated under section 10, provide grants to not more than 10 selected cities for the purpose of assisting such cities in establishing and operating teen resource and education centers in such cities to provide education, employment, recreation, social, and cultural awareness assistance to at-risk youth.

SEC. 3. APPLICATION.

To receive a grant under section 2, a city shall submit to the Secretary an application in such form and containing such information as the Secretary may require.

SEC. 4. TEEN RESOURCE AND EDUCATION CENTERS.

The Secretary may not make a grant under section 2 to a city unless the city agrees that it will use all amounts received from such grant to establish and operate, in conjunction with local social service agencies, at least 2 teen resource and education centers in such city to provide education, employment, recreation, social, and cultural awareness assistance to at-risk youth. A teen resource and education center established and operated using amounts from a grant under section 2 shall, at a minimum, meet the following requirements:

(1) EDUCATIONAL ASSISTANCE.—The teen resource and education center shall provide educational assistance to at-risk youth for the purpose of—

(A) providing information on institutions of higher education to at-risk youth interested in attending such institutions;

(B) establishing a scholarship search and resource program at the center to provide assistance to such youth in the preparation of financial aid applications, scholarship applications, and other relevant forms and applications; and

(C) establishing and carrying out preparatory courses for high school equivalency examinations and college entrance examinations at the center.

(2) EMPLOYMENT AND SKILLS TRAINING ASSISTANCE.—The teen resource and education center shall provide employment and skills training assistance to at-risk youth by hiring teen peer counselors to—

(A) provide training to such youth in basic job skills, including interviewing, personal appearance, and communication with coworkers and superiors;

(B) provide job referral services to such youth; and

(C) establish job banks for such youth by providing listings of job openings in local businesses.

(3) RECREATIONAL OPPORTUNITIES.—The teen resource and education center shall provide recreational opportunities for at-risk youth by—

(A) establishing sports teams for such youth and seeking financial support or sponsorship of such teams from local businesses;

(B) establishing a garden at such center to give such youth a chance to work together to achieve positive results from their efforts and to distribute the food harvested from such garden to the families of such youth and to neighborhood soup kitchens; and

(C) establishing and carrying out a reading program to introduce such youth to the importance of reading.

(4) DEVELOPMENT OF SOCIAL SKILLS.—The teen resource and education center shall provide for the development of the social skills of at-risk youth by—

(A) hiring adult counselors and providing support groups at such center for the purpose of counseling such youth on social and personal issues, including issues relating to—

(i) problems facing young minorities;

(ii) teen-age pregnancy, including pregnancy prevention and pregnancy management;

(iii) unemployment;

(iv) crime; and

(v) sex education, including education relating to acquired immune deficiency syndrome (AIDS); and

(B) sponsoring trips for such youth to museums, State capitals, concerts, plays, and other cultural and educational settings and events.

(5) CULTURAL AWARENESS.—The teen resource and education center shall assist in raising the cultural awareness of at-risk youth by—

(A) establishing and carrying out classes on the history and culture of African-Americans, Hispanics, and other cultural groups to supplement courses taught in elementary and secondary schools and to bolster the social and personal self-esteem and pride of such youth; and

(B) encouraging such youth to produce plays, stories, and artwork that reflect their cultural heritage and pride.

(6) FINANCIAL ASSISTANCE TO COLLEGE GRADUATES WORKING AT TEEN RESOURCE AND EDUCATION CENTERS.—

(A) IN GENERAL.—The teen resource and education center shall provide financial assistance from amounts received from a grant under section 2 to graduates of institutions of higher education who work full-time at such center for the purpose of assisting such graduates to repay student loans obtained by such graduates to attend such schools.

(B) AMOUNT OF ASSISTANCE.—The center may provide financial assistance under subparagraph (A) in an amount equal to not more than 25 percent of the total amount owed by a graduate during any year that such graduate is working at such center for the repayment of student loans of such graduate. Such assistance may be provided to a graduate for up to 4 years that such graduate is working at such center.

SEC. 5. CITY REPORT.

The Secretary may not make a grant under section 2 to a city unless the city agrees that it will submit, for any fiscal year in which such city receives a grant under such section, a report to the Secretary describing the use of such grant, including—

(1) the number of at-risk youth receiving assistance at each teen resource and education center established in such city under section 4;

(2) the types of services and referrals received by such at-risk youth; and

(3) any other information the Secretary determines to be appropriate.

SEC. 6. SELECTION.

(a) IN GENERAL.—The Secretary shall select cities to receive grants under section 2 which have a large number of at-risk youth.

(b) GEOGRAPHIC DIVERSITY.—To the extent practicable, the Secretary shall make grants to cities under section 2 in a manner which will equitably distribute such grants among the various regions of the United States.

SEC. 7. ALLOCATION.

The Secretary may not make a grant under section 2 in a fiscal year to any city in an amount totaling more than 10 percent of amounts appropriated under section 10 for that fiscal year.

SEC. 8. REPORTS.

(a) INTERIM REPORT.—Not later than January 1, 1995, the Secretary shall submit to the Congress an interim report containing—

(1) a compilation of the information contained in the city reports received by the Secretary pursuant to section 5; and

(2) a process evaluation of the effectiveness of the grant program.

(b) FINAL REPORT.—Not later than January 1, 1996, the Secretary shall submit to the Congress a final report containing the information described in subsection (a).

SEC. 9. DEFINITIONS.

For purposes of this Act, the following definitions apply:

(1) AT-RISK YOUTH.—The term "at-risk youth" means individuals who have attained the age of 10 but have not attained the age of 22 and who live in a city in which—

(A) drug and gang activity, or other violent community activity, are prevalent;

(B) a large number of youth are unlikely to complete an elementary or secondary education;

(C) a large number of youth are runaway or homeless youth;

(D) a large number of individuals receive public assistance; and

(E) a large number of individuals are single parents.

(2) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given such term under section 1201(a) of the Higher Education Act of 1965.

(3) SECRETARY.—The term "Secretary" means the Secretary of Health and Human Services.

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There is authorized to be appropriated $350,000,000 for each of the fiscal years 1994 and 1995 to carry out section 2.

(b) AVAILABILITY.—Amounts appropriated under subsection (a) shall remain available until expended.

103D CONGRESS
1ST SESSION

H. R. ____

IN THE HOUSE OF REPRESENTATIVES

Ms. WATERS introduced the following bill; which was referred to the Committee on ______________

A BILL

To provide employment opportunities to unemployed individuals in high unemployment areas in programs to repair and renovate essential community facilities.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Neighborhood Infrastructure Improvement and Inner City Job Creation Act".

SEC. 2. ESTABLISHMENT OF GRANT PROGRAM.

The Secretary of Labor (in this Act referred to as the "Secretary") shall provide grants to eligible administrative entities described in section 3(a) for the purpose of establishing and carrying out programs that provide employment opportunities to unemployed individuals through payments for labor and related costs associated with the repair and renovation of essential community facilities.

SEC. 3. ELIGIBLE ADMINISTRATIVE ENTITIES.

(a) IN GENERAL.—An administrative entity shall be eligible to receive a grant under section 2 if the entity is—

(1) a private industry council (described under section 102 of the Job Training Partnership Act (29 U.S.C. 1512)),

(2) a unit of general local government,

(3) a nonprofit private organization, or

(4) in the case of a grant involving a Native American Indian tribe or Alaska Native Village, a grantee designated under subsection (c) or (d) of section 401 of the Job Training Partnership Act, or a consortium of such grantees and the State,

that serves 1 or more eligible jurisdictions described under subsection (b).

(b) ELIGIBLE JURISDICTION.—An eligible jurisdiction described under this subsection is an area which has a poverty rate in excess of 30 percent and which is—

(1) a unit of general local government which has a population of 50,000 or more individuals; or

(2) a Native American Indian tribe, band, or group located on a Federal or State reservation, the Oklahoma Indians, and any Alaska Native village or group as defined in the Alaska Native Claims Settlement Act, having a governing body.

(c) PRIORITY.—In selecting administrative entities described in subsection (a) to receive a grant under section 2, priority shall be given to administrative entities that give assurances to the Secretary in the application submitted under section 4 that such entities will give priority to individuals who are low-skilled workers in selecting individuals to participate in programs established and carried out by such entities under section 5(a).

SEC. 4. APPLICATION.

The Secretary may not make a grant under section 2 to an eligible administrative entity unless the entity submits to the Secretary an application in such form and containing such information as the Secretary may require.

SEC. 5. USE OF AMOUNTS.

(a) IN GENERAL.—Except as provided in subsection (b), the Secretary may not make a grant under section 2 to an eligible administrative entity unless the entity agrees that it will use all amounts received from such grant to establish and carry out a program to provide wages and related employment benefits to eligible individuals described in subsections (a) and (b) of section 6 for the purpose of employing such individuals to repair and renovate essential community facilities that are located within the eligible jurisdiction that the entity serves, including—

(1) painting bridges;

(2) repairing and renovating public buildings and other community facilities, including public libraries;

(3) repairing and renovating public housing units;

(4) repairing water systems and water development projects;

(5) erecting or replacing traffic control signs and removing road sign obstructions;

(6) replacing school crossing, intersection, and other road surface markings;

(7) repairing roads and streets;

(8) repairing and renovating parks and playgrounds;

(9) installing and repairing drainage pipes and catch basins in areas subject to flooding;

(10) installing graded ramps for individuals with disabilities; and

(11) weatherizing community facilities and carrying out other energy conservation activities.

(b) ADMINISTRATIVE COSTS.—Not more than 25 percent of amounts received from a grant under section 2 for any fiscal year may be used for the cost of administration and the acquisition of supplies, tools, and other equipment.

SEC. 6. ELIGIBLE INDIVIDUALS.

(a) IN GENERAL.—An individual shall be eligible to participate in a program described in section 5(a) only if the individual—

(1) is an unemployed individual at the time of enrollment in such program;

(2) has been unemployed, at a minimum, for the duration of the 15-week period immediately preceding the date of such enrollment; and

(3) has made a good-faith attempt to obtain employment during such 15-week period.

(b) ADDITIONAL REQUIREMENT FOR SECONDARY SCHOOL-AGE INDIVIDUALS.—

(1) IN GENERAL.—In addition to meeting the requirements described in subsection (a), a secondary school-age individual shall be eligible to participate in a program described in section 5(a) only if the individual has not attended a secondary school

for any part of the 6-month period immediately preceding the date of enrollment in such program.

(2) SECONDARY SCHOOL-AGE INDIVIDUAL DEFINED.—For purposes of paragraph (1), the term "secondary school-age individual" means an individual who has attained the age of 16 but has not attained the age of 20.

(c) PRIORITY.—In selecting individuals described in subsections (a) and (b) to participate in a program described in section 5(a), priority shall be given to the individuals who, at the time of selection to the program, have exhausted or are otherwise not eligible for unemployment insurance benefits, particularly those individuals who have been unemployed for the longest periods of time preceding the date of their selection to the program.

SEC. 7. NONDISCRIMINATION.

No individual shall be excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in the administration of or in connection with any program described in section 5(a) because of race, color, religion, sex, national origin, age, disability, or political affiliation or belief.

SEC. 8. LABOR STANDARDS.

The labor standards described under section 143 of the Job Training Partnership Act (29 U.S.C. 1553) shall apply for purposes of a program established under section 5(a).

SEC. 9. MAINTENANCE OF EXPENDITURES.

The Secretary may not make a grant under section 2 to an eligible administrative entity unless the entity agrees that it will maintain its aggregate expenditures from all other sources for employing individuals to repair and renovate essential community facilities at or above the average level of such expenditures in the 2 fiscal years preceding the date on which the entity submits an application under section 4 to the Secretary.

SEC. 10. REPORT.

The Secretary may not make a grant under section 2 to an eligible administrative entity unless the entity agrees that it will submit, for any fiscal year in which the entity receives a grant under such section, a report to the Secretary describing the use of such grant and any other information the Secretary determines to be appropriate.

SEC. 11. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There is authorized to be appropriated to carry out section 2 $5,000,000,000 for fiscal year 1994 and such sums as may be necessary for each succeeding fiscal year.

(b) AVAILABILITY.—Funds authorized to be appropriated under subsection (a) shall remain available until expended.

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF ADMINISTRATION
Washington, D.C. 20503

February 18, 1993 93 FEB 18 P1:15

MEMORANDUM FOR JOHN PODESTA
STAFF SECRETARY
WHITE HOUSE OFFICE

FROM: STACIA L. CROPPER
EXECUTIVE SECRETARY Stacia L. Cropper

SUBJECT: Review of Telephone Directory Update

Attached is the telephone directory alphabetical listing for your office. Please review and verify the names, telephone exchanges, and room numbers for your office. Any changes to the information should be made clearly on the attached sheets.

When your review is complete, please sign the bottom of this memorandum, indicating your approval of these changes. A copy of this memorandum and your changes should be sent to Room 479, Old Executive Office Building, by noon, February 23, 1993. No response by this date will indicate your approval of the information.

A revised telephone directory will be delivered to each EOP office on February 25, 1993.

Please call me if you have any questions. My telephone number is 395-6963.

Thank you.

Attachments

****

Please check one:

____ Approved with no changes.

✓ Approved with the changes indicated.

John D Podesta
Signature

2/18/93
Date

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR STACIA L. CROPPER
EXECUTIVE SECRETARY

FROM: JOHN PODESTA
STAFF SECRETARY
WHITE HOUSE

SUBJECT: Review of Telephone Directory Update

Attached are the changes for the phone directory:

Dudley, Jennifer	456-6600	58	EOB	WHO
Lee, Brant	456-2702	GFL/WW	WH	WHO
Nash, Julie	456-2304	60	EOB	

Chron

THE WHITE HOUSE

WASHINGTON

2/18/93

[redacted]

Alexis | Carol R

This guy is good + good future - shd be involved in development of urban policy

B,

[redacted]

A MARKET-DRIVEN

FOR URBAN RECOVERY

Edward H. McNamara
County Executive

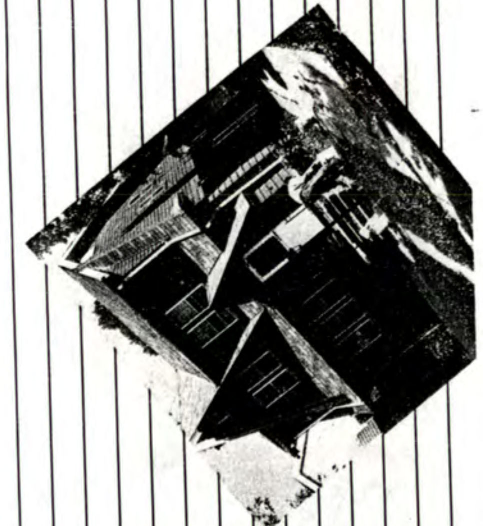
600 Randolph Street
Detroit, Michigan 48226

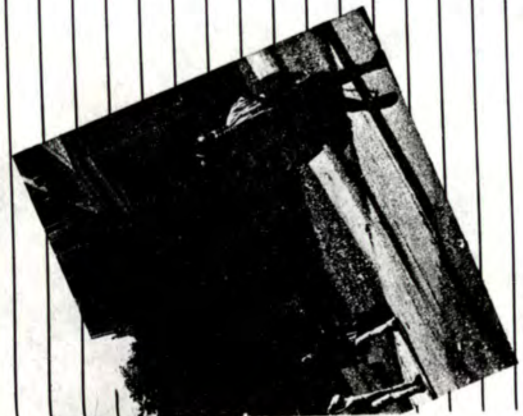
RON THAYER
Department Executive
Department of Jobs and Economic Development

(313) 224-0760

Fax (313) 224-0818

printed on recycled paper





Revitalizing our older, urban areas

The Greater Detroit area has witnessed a tremendous shift of wealth over the past 30 years. Our older, urban areas have been abandoned, as investment has moved farther and farther away from the central city.

Urban blight has now reached many of our "inner ring" suburbs, yet we continue to push development out into suburban greenfield sites.

This region now faces two options. We can continue to push farther and farther out into farmland. Or we can rebuild our urban areas, and preserve billions of dollars of investments we have already made this century.

The best way to achieve the latter option, which we believe is the wisest, is by redirecting private sector investment to our established communities.

An exciting approach to revitalizing our neighborhoods is community development banking, a concept that President Bill Clinton has pledged will be a major thrust of his new administration.

Community development banking restores positive market forces to urban communities and stimulates long-term investment by private and institutional investors.

We feel that there is outstanding potential in our older communities. A private sector-managed community development bank can be the mechanism to jump-start the rebirth of our urban neighborhoods.

Such a venture needs the support of the private sector. Wayne County's role in the proposed Community Development Bank is to facilitate its start-up. The private sector will run the bank, with Wayne County serving as a partner to link public resources together with private capital.

We hope that the concept of a Community Development Bank will be energetically embraced by the region's business leaders. We feel it is in the best long-term interests of the entire region.

Edward H. McNamara
Wayne County Executive

A lethal combination of blight, suburban sprawl and disinvestment contributed greatly to the decay of several neighborhoods across Wayne County during the past three decades. Abandoned homes and boarded-up storefronts are the norm, rather than the exception, in far too many neighborhoods.

There have been attempts to stop the bleeding and begin the rebuilding process. Infusions of public capital have temporarily propped-up selected neighborhoods. But government-driven initiatives over the past 30 years, for the most part, have been fragmented and short-term.

The South Shore Model

An exciting approach to renewing neighborhoods and urban areas is community development banking, a concept pioneered in 1974 by South Shore Bank in Chicago.

In less than 20 years, the bank has injected $300 million in capital into two Chicago neighborhoods, rehabilitating more than 12,000 housing units.

Equally important is the fact that South Shore Bank has consistently turned a profit for its investors.

Development banking restores positive market forces to the process of urban renewal; it stimulates long-term investment by private and institutional investors which in turn creates positive, lasting change in decaying neighborhoods.

A community development bank is a private sector-driven institution that must be responsive to the demands of the marketplace. A community development bank is regulated by Federal banking laws, and offers the same array of products and services a conventional bank does: it accepts deposits, issues CD's and makes real estate and commercial loans.

The institution's investment activities are complemented by other development subsidiaries and affiliates, both for-profit and not-for-profit, that can initiate development projects to mount a coordinated revitalization effort.

A bank with a "social agenda"

A community development bank's mission is the long-term development of a community; it seeks to meet needs that are not being met by other financial institutions and to restore positive forces in an underserved market.

A development bank seeks to inspire homeowners to purchase homes in established neighborhoods. It nurtures the entrepreneurial spirit, encouraging "ma and pa" rehabbers to renovate housing units. And it also supports enterprise development to generate jobs and opportunities for local residents.

Wayne County: A need; an opportunity

In 1990, Wayne County's Department of Jobs & Economic Development contracted with Shorebank Advisory Services, an affiliate of the South Shore Bank, to study the feasibility of establishing a development bank to serve Wayne County's distressed neighborhoods.

Shorebank studied three targeted areas—Hamtramck, Highland Park and a portion of Detroit's eastside. In these target areas, investment activity was minimal—only 300 first mortgages were in made in 1989. There was also a lack of a coordinated investment strategy or an institution to support enterprise development.

The three target areas have several inherent strengths. A sound base of homeownership exists, with several vital block clubs and community-based organizations in place. An abundance of affordable residential property is also available.

These areas also boast a strong and vital African-American population base, with average household incomes ranging from $15,000–$50,000.

Market research further reveals that there is a strong desire for the mature, established neighborhoods in the target areas, as well as a demand for new construction housing, evidenced by the success of the new Victoria Park development on Detroit's eastside.

Consultants from Shorebank identified three audiences a community development bank could target:

- Low to moderate income renters who are in the market to become homeowners.
- Low to moderate income renters who, while not in a position to purchase, are looking to move-up to safer, better quality housing.
- Higher income renters and homeowners who desire a newly constructed house.

Banking on Wayne County's future

Shorebank's study confirmed Wayne County's beliefs that a community development bank could be the mechanism to jump-start the County's distressed neighborhoods.

Working with Shorebank, the County has developed a business plan for a proposed Community Development Bank.

The proposed institution would be structured as a bank holding company with three subsidiaries:

- A commercial bank offering conventional banking services, including real estate and business loans
- A real estate development arm to focus on housing, commercial and industrial development.
- A non-profit affiliate, which would provide non-bank business credit, business support services and housing assistance.

Wayne County's role

A successful launch of a community development bank in Wayne County depends entirely upon the response of the private sector.

Wayne County government's role is to serve as a catalyst to facilitate the bank's start-up. As a government unit, the County can provide human services support, access funds for demolition and rehabilitation, and utilize other public resources.

The first step in creating the institution is to form a Founder's Committee and obtain preliminary funding commitments. A projected $13 million would be required to fully capitalize the bank.

The Founder's Committee would be charged with recruiting a professional management team that would develop a workplan and work with regulatory officials.

Revitalizing urban areas

Wayne County believes that a market-driven Community Development Bank is the best option for rebuilding the older areas of the County.

Within five years, it's projected that the venture will lead to the rehabilitation of creation of 1,085 housing units.

That's not enough to completely offset the decay which has occurred over the past 30 years.

However, it will demonstrate the potential of mature, urban markets, leading to heightened activity by other private sector investors.

Chron

2/18/93

MEMORANDUM

TO: The President

FROM: Nancy Hernreich

RE: Incoming Mail

DATE: February 3, 1993

Date	**From**
2-1-93	Cong. Wm. Jefferson Extends invitation to you and Mrs. Clinton to participate in Washington Mardi Gras celebration of Mystik Krewe of Louisiana. Either Feb 12 or Feb 13 at Washington Hilton Hotel. Also, request you pose for pictures w/group of Mardi Gras princess as they tour White House on Feb 12
1-22-93	Robert Johnston, PhD Dr. Ed Salmon, Chairman of the New Jersey Public Service has arranged four pick-up basketball games (Feb 27 - Mar 3). Like to have you join. Could use as photo op or private.

NH
Maybe be fun
to do - ga
details

Chron

THE WHITE HOUSE
WASHINGTON

[redacted]

February 17, 1993

Mr. President:

I thought you would like to see this before your speech. I have forwarded a copy to Mrs. Clinton.

John Podesta

To Carville / Greenberg

Fyi — !

[redacted]

[redacted]

DATE: 2/18/93

TO: Alexis Herman

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

FYI

[redacted]

[redacted]

Podesta

John Sculley
Chairman and CEO

93 FEB 17 P5:37

February 17, 1993

Dear Mr. President:

As you read this message I am on my way to Washington to join Hillary as a show of support during your State-of-the-Union address tonight.

We can maintain CEO support for your investment and revenue programs if the world comes away convinced that you are absolutely unwavering in your efforts to substantially reduce the budget deficit over a reasonable period of years.

Government spending must be cut. You should request an item veto or at least settle on no less than enhanced recision presidential authority.

Endorsing the balanced budget amendment would be a very powerful statement that you are going to be able to deliver the spending cuts we need to substantially reduce the deficit. I think a delay of a year or two in its implementation could be considered in order to give you more flexibility.

Deficit reduction may well be the key to starting serious negotiations on systemic bilateral trade deficit reduction with Japan. In my conversation last week with Prime Minister Miyasawa in Japan he asked me to convey to you that he felt that substantive US budget deficit reduction was extremely important.

In other discussions with many CEO's at the Business Council and CSPP they are adamant that higher taxes must be balanced by meaningful reduction in the budget deficit. The Business Council is meeting next week in Washington and I am sure the deficit reduction issue will come up. This event traditionally gets heavy media coverage.

Al Gore did an excellent job on the conference call with high technology CEOs yesterday. Thanks for your continued, clear and strong leadership with technology policies and funding. Articulating your vision of a new American Dream reachable by all Americans if they can have access to the best education, work skills and high technology infrastructure is critical. This will keep the best jobs in America and it is a powerful message of optimism.

Tonight, its not only what you say but how you choose to say it that will be important.

Apple Computer, Inc.
20525 Mariani Avenue
Cupertino, California 95014
408 974-2228
Fax: 408 862-5194

Good Luck! This is tough stuff but you are really tackling the right systemic issues. Your leadership will be rewarded with a stronger middle class centric economy.

Best regards,

John

John Sculley

THE WHITE HOUSE

WASHINGTON

2/19

Dear John —

Thanks for coming to the speech and for your letter leading up to it — I'm grateful for your support and for your advice — See you Sunday.

Best,

Bill

Mr. John Sculley
Chairman & Chief Executive Officer
Apple Computer, Inc.
20525 Mariani Avenue
MS-38A
Cupertino, California 95014

THE WHITE HOUSE

WASHINGTON

February 17, 1993

MEMORANDUM TO ANTHONY LAKE

FROM: John Podesta
Assistant to the President
and Staff Secretary

SUBJECT: Military Nominations

I am not bothering you with the bulk of military nominations as long as they are recommended by Aspin and in the regular order. We should establish a clear policy on which senior military nominations you and the President wish to see.

In the Bush Administration, the NSC reviewed and the President signed off on two stars and above. That would include between 50 and 100 nominations each year.

Do you want the NSC to review those ranks and that volume?

What do you recommend the President see?

THE WHITE HOUSE

WASHINGTON

February 18, 1993

Dear George:

Many people worked long and hard to make sure certain things went smoothly last night.

To you and to all the people who work for you -- my sincere thanks.

With best wishes,

Sincerely,

Mr. George White
Architect of the Capitol
U.S. Capitol
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

February 18, 1993

Dear Chief Albrecht:

I want to thank you and all of the men and women of the Capitol Police force for the great effort in facilitating the crowd handling and security for my address to last night's joint meeting of the Congress.

I realize such events require much work behind the scenes and I am grateful.

With best wishes,

Sincerely,

Chief Gary L. Albrecht
Capitol Police Headquarters
119 D Street, N.E.
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

February 18, 1993

Dear Bob:

I know that you expended great effort to help make last night's address a success and I want to pass along my thanks.

The help we had made a real difference.

With best wishes,

Sincerely,

The Honorable Robert Bean
Deputy Sergeant at Arms
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

February 18, 1993

Dear Mr. Speaker:

Please accept my sincere thanks for the extraordinary effort made by your staff and all the personnel in the Capitol last evening.

On a personal level, I want you to know how much I appreciate your support and your counsel at all times. Our tasks may be difficult, but I believe that by sustaining the level of cooperation we have established we will be successful in the weeks and months ahead.

With appreciation and high regard,

Sincerely,

Bill

The Honorable Thomas S. Foley
Speaker of the House
House of Representatives
Washington, D.C. 20515

THE WHITE HOUSE

WASHINGTON

February 18, 1993

Dear Senator Byrd:

Your thoughtfulness and generosity preceding and after my speech last evening are greatly appreciated.

I want especially to note the extraordinary and effective comments you made at yesterday's meeting of the Joint Bipartisan Leadership. Everyone in the room was transfixed by your comments. It was a special moment that I will not forget.

With best wishes,

Sincerely,

The Honorable Robert C. Byrd
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

February 18, 1993

Dear Mr. Leader:

As we go forward I want you to know how grateful I am to you and the entire staff of the Senate for helping to make last night a success. I realize many people work long and hard on special events such as a Joint Session address by a President.

Personally, I want also to thank you for advice and counsel that has helped make the last month more successful. I value your judgment and friendship, and look forward to many shared successes in the future.

With best wishes,

Sincerely,

The Honorable George J. Mitchell
Majority Leader
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

February 18, 1993

Dear Bill:

Many thanks for the special effort and excellent cooperation that helped to make last evening a success.

I know there is much hard work in such an undertaking, and I want you to know it is recognized and appreciated.

With best wishes,

Sincerely,

Bill Clinton

Mr. William Polk Sims
Director
Office of the Doorkeeper
House of Representatives
Washington, D.C. 20515

THE WHITE HOUSE

WASHINGTON

February 18, 1993

Dear Werner:

Every time I travel to Capitol Hill you and your staff perform extraordinarily well in trying circumstances.

I am grateful for your cooperation, your professionalism and your unfailing good spirit. My thanks to you and to the many fine people in your office and on the Capitol Police force.

With best wishes,

Sincerely,

The Honorable Werner W. Brandt
Sergeant at Arms
House of Representatives
Washington, D.C. 20515

THE WHITE HOUSE

WASHINGTON

February 18, 1993

Dear Tom:

I understand you provided great help in advance of last night's speech, as well as facilitating the handling of White House staff at the event. Everything went well, due in part to your hard work.

With thanks and best wishes,

Sincerely,

Mr. Thomas Keating
Director of Police Services
House of Representatives
Washington, D.C. 20515

[redacted]

THE WHITE HOUSE

WASHINGTON

February 18, 1993

Dear Kevin:

Many thanks for your effort and cooperation in helping to make last evening a success. I realize these events are demanding, and I appreciate your help.

With best wishes,

Sincerely,

The Honorable Kevin Peterson
Deputy Sergeant at Arms
House of Representatives
Washington, D.C. 20515

[redacted]

THE WHITE HOUSE

WASHINGTON

February 18, 1993

Dear Martha:

I realize that every time I enter the Capitol many people are called upon to make an extra effort so things go smoothly.

In no case is this more evident than on the occasion of an address to a Joint Session. Your personal help, that of your staff and the Capitol Police helped make last night a success.

Please accept my appreciation and best wishes.

Sincerely,

The Honorable Martha Pope
Sergeant at Arms
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

February 18, 1993

Dear Jim:

Please accept my gratitude for the extraordinary support that you and your staff provided to me and to White House personnel last evening.

My first address to a Joint Session of the Congress was made easier and more successful by the cooperation we received from the many fine people in the Doorkeeper's office and the other key offices on Capitol Hill.

Also, a special word of thanks is due for the picture of the Executive Gallery in which yours truly was a guest of President Bush. I look forward to having you announce my arrival in the Chamber for years to come.

With best wishes,

Sincerely,

The Honorable James T. Molloy
Doorkeeper
House of Representatives
Washington, D.C. 20515

THE WHITE HOUSE

WASHINGTON

February 18, 1993

The Honorable Beryl Anthony
3900 Macomb Street, N.W.
Washington, D.C. 20016

Dear Beryl:

I want to offer my best wishes on your birthday, and I hope that this special day is filled with joy and happiness.

I'm glad you and Sheila could join us the other night.

Sincerely,

Bill

Enjoyed the visit here.