Withdrawal/Redaction Marker
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. memo	Marsha Scott to Marcia Hale (1 page)	04/03/1993	Personal Misfile

COLLECTION:

Clinton Presidential Records
Staff Secretary
John Podesta (Chron Files)
OA/Box Number: 473

FOLDER TITLE:

April 11-17, 1993 [3]

2018-0662-S
rs3045

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]
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- 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: 04/14/93

TO:
MACK MCLARTY
MARK GEARAN
BOB RUBIN

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

The attached has been forwarded to the President.

EXECUTIVE OFFICE OF THE PRESIDENT

COUNCIL OF ECONOMIC ADVISERS

WASHINGTON, D.C. 20500

April 13, 1993

93 APR 13 P 7:00

MEMORANDUM FOR THE PRESIDENT

FROM: ALAN S. BLINDER

SUBJECT: State Unemployment Rates in February, Labor Department Release, Today, 10:00 a.m.

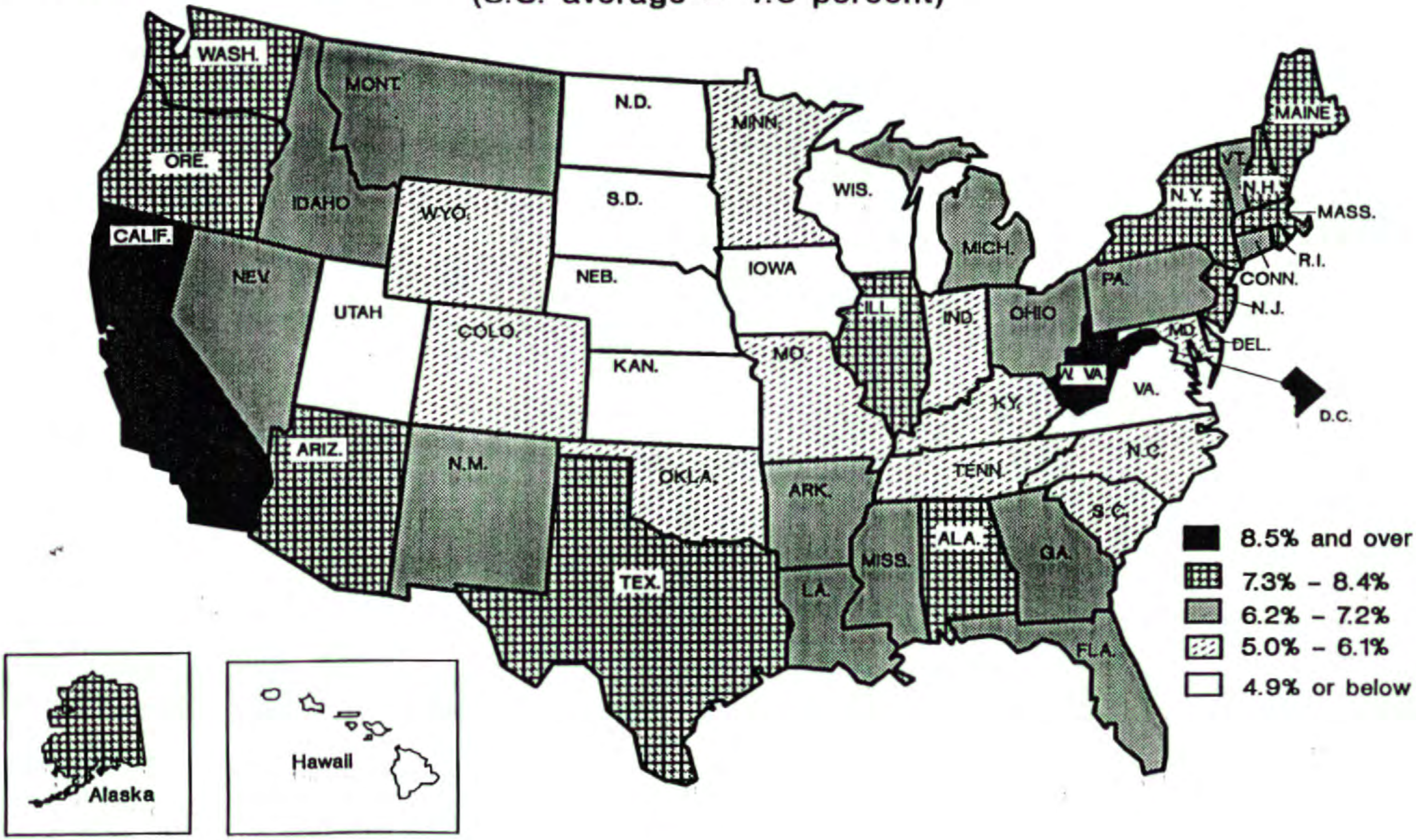
Today the Labor Department released State and metropolitan area employment and unemployment data for February 1993. The attached map shows ranges of unemployment rates by State. Unemployment rates in February were highest in California, the District of Columbia, and West Virginia. The lowest unemployment rates were found primarily in the Midwest. A listing of unemployment rates by State--ranked from lowest to highest--is on the back of the map.

Monthly estimates of State unemployment rates can be volatile because of small sample sizes. The second chart shows changes in unemployment rates by State over the past 12 months--ranked from largest decline to largest increase (New Hampshire). Despite the national recovery, unemployment rates are actually higher in many states than they were a year ago.

Attachments

Unemployment rates by state, seasonally adjusted, February 1993

(U.S. average = 7.0 percent)



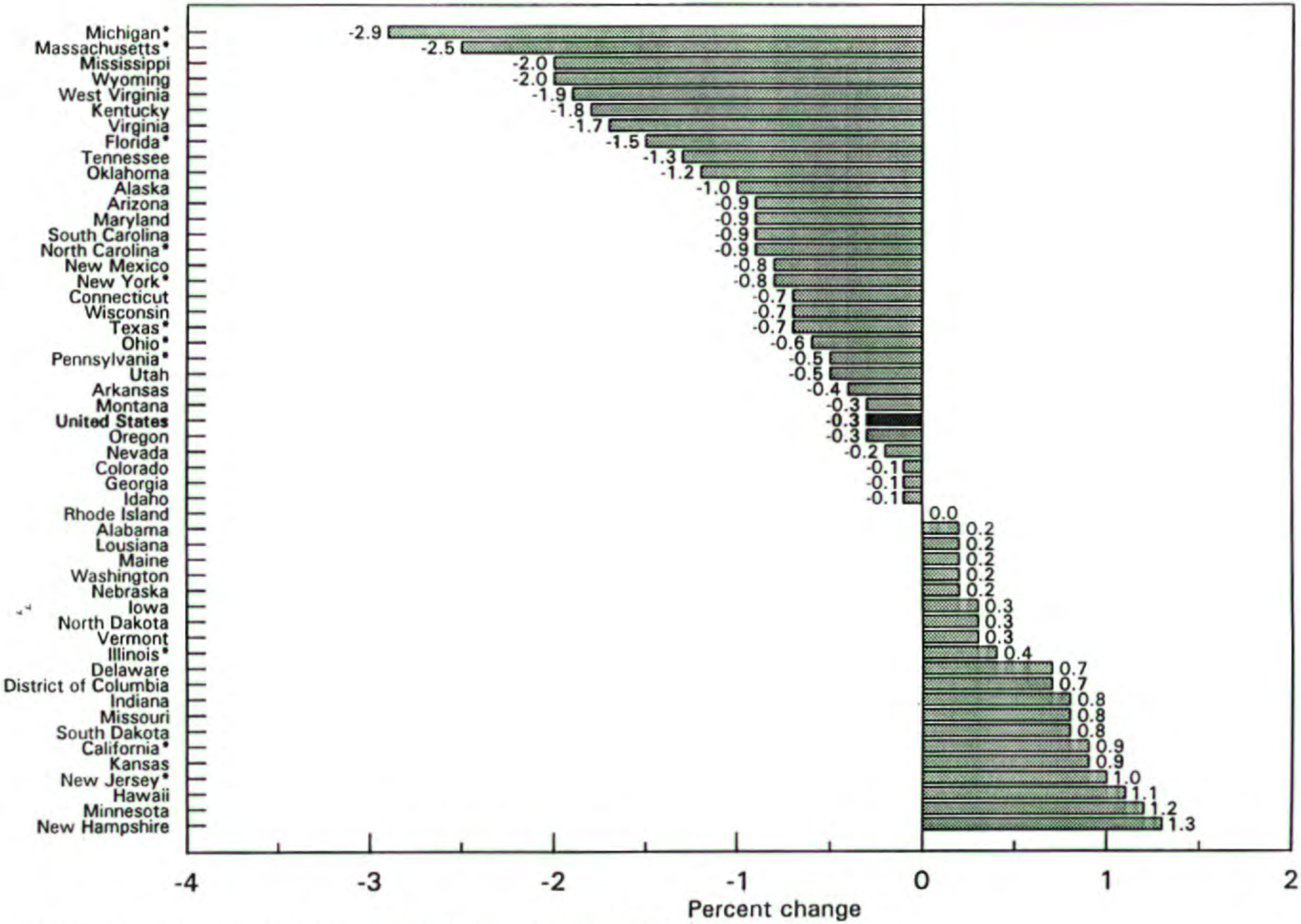
Unemployment Rates by State, Seasonally Adjusted

February 1993

Nebraska	2.7	Ohio*	6.5
South Dakota	3.9	Vermont	6.5
Utah	4.0	Arkansas	6.7
Iowa	4.3	Connecticut	6.7
Kansas	4.5	Nevada	6.7
North Dakota	4.5	New Mexico	6.7
Wisconsin	4.6	Texas*	6.8
Hawaii	4.7	Florida*	6.9
Virginia	4.8	Pennsylvania*	6.9
Oklahoma	5.1	Lousiana	7.0
Wyoming	5.1	Montana	7.0
Delaware	5.2	New York*	7.3
North Carolina*	5.3	Oregon	7.3
Kentucky	5.4	Arizona	7.4
Colorado	5.6	Alabama	7.6
Minnesota	5.7	Rhode Island	7.7
South Carolina	5.9	Washington	7.7
Tennessee	5.9	Alaska	8.1
Indiana	6.1	Maine	8.2
Maryland	6.1	New Jersey*	8.3
Missouri	6.1	Illinois*	8.4
Mississippi	6.2	New Hampshire	8.4
Michigan*	6.3	District of Columbia	8.6
Idaho	6.4	California*	9.4
Massachusetts*	6.4	West Virginia	10.6
Georgia	6.5		
		United States	7.0

For the 11 largest states (indicated by *), unemployment rates are for March 1993.

Change in Unemployment Rate by State: February 1992 to February 1993



Note: For 11 largest states (*), change is from March 1992 to March 1993.

THE WHITE HOUSE
WASHINGTON

DATE: 04/13/93

NOTE FOR: MACK MCLARTY

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

Information XX

Action ☐

Thank you.

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

cc:

THE WHITE HOUSE

WASHINGTON

4/13

Dear Nannette—

Mack McLarty and I both
loved your letter—and the brochure
on the kindergarten — It's a treasure
for me!

Thanks

Bill Clinton

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

Mrs. Nannette Elsass
920 Canterbury
Fayetteville, AR 72701-2805

Nita — Where's the original?
I want the pamphlet
send copy of this to Mother

THE PRESIDENT HAS SEEN
04-13-93

(1) Mack

Dear President Clinton;

Congratulations and best wishes for a successful four years in the White House. Arkansas is praying for you and your family to do everything you said you wanted to accomplish while in office.

The enclosed is a phamplet I thought you might like to keep for your scrapbook or frame.It is of Miss Marie Purkin'skindergarten. Since you and Mr. Mac met there, I thought you might like to have this. Know it was printed before you were born, but I was my aunt't inspiration for beginning a school for little folks and she really began in her back bed room in 1938 when I was four and a half years old. Those first pupils all got together at our 40th reunion in Hope and had a ball.

Have written an article to the new magazine Reminisce about my aunt and her kindergarten so hope they want to publish it in their next issue. You are mentioned as the most famous but I have the distinction of being her first pupil since she helped raise me.

Also your mother and my oldest sister, Marie Williams Tipton graduated from Hope High School together.

Just wanted to send this to you for a keep sake and give my congratulations. Plan to send Mac one too.

Sincerely;

Nannette W. Elsass
920 Canterbury
Fayetteville, AR
72701

Show to Mack
then back to me

(Show to Mack
then back to me)

Thanks for sending to me —
You do indeed handle your
paper well — I'm impressed

phamplet Brought Back ALOT
of good ~~memories~~ memories —

Mac

THE PRESIDENT HAS SEEN
4-13-93

Baucus
(sic)
is an ally

THE WHITE HOUSE

WASHINGTON

April 13, 1993

MR. PRESIDENT:

Attached is a memo from Dave Barram of Apple (forwarded through Ron Brown and Christine Varney) in which he sets forth his extreme distress over Administration international tax proposals. Barram thinks the deferral and royalty proposals won't work and will hurt U.S. hi-tech companies.

Note that we recently forwarded to you a letter from Hewlett Packard CEO, Lewis Platt, also opposing the deferral and royalty proposals and setting forth HP's alternative approach -- to impose a $10,000 excise tax on dislocated workers whose jobs were lost when a business moved abroad. HP and Apple are working together, although Barram's memo is not tied to the HP proposal. (Barram describes it as "probably too complicated, but at least an alternative".)

TDS
Todd Stern

THE PRESIDENT HAS SEEN
4.13.93

THE WHITE HOUSE

WASHINGTON

93 APR 12 P7:21

April 12, 1993

MEMORANDUM FOR THE PRESIDENT

FROM: CHRISTINE A. VARNEY
Secretary to the Cabinet

Secretary Brown forwarded the attached memorandum from Dave Barram last Thursday. In a cover note, he stated that you had requested this memorandum.

The memorandum outlines Mr. Barram's concerns regarding any international tax proposals being put forth by the administration.

The Proposed International Tax Provisions

1. Serious political issue

A. I don't think the Administration realizes what effect this issue is having

1. Our industry doesn't see ourselves as "asking" for anything except smart decisions
   - eg. Sculley supported the President's plan because we all had to sacrifice
     - many CEO's were strongly against the tax rate increase or other parts of the Plan
2. We made the case for the folly of the deferral and royalty proposals. It was rejected. The Administration's decision does not feel 'smart'
   - the proposals will not accomplish their objectives
     - raising revenue
     - keeping jobs in the USA
3. The President said his proposals were not intended to affect the "good guys".

B. I fear that BC will lose a chunk of the euphoric support he so beautifully built.

1. I am stunned; others had less faith that he would always do the right thing.
2. I hope none of the high tech CEO's actively oppose his Economic Plan
3. They have stopped working with the Administration and are now lobbying Congress, which I consider a terrible shame. That's they way it was before Clinton.

2. The subject is the proposed new international tax policies

A. Deferral

1. Global companies produce overseas and make profit (and cash)
2. Global companies (like us) have good deal of cash overseas, which we keep there "deferring" U.S. tax on it. Hundreds of companies are involved in this complicated international tax practice.
3. This proposal would tax that income at the current rate <u>and</u> tax the cash we already have
4. It won't work:
   - companies won't pay much tax; they'll invest overseas - unfortunately, maybe in assets that don't increase American manufacturing competitiveness

B. Royalties

1. Companies (like IBM, HP, movie companies) license intangible assets overseas.
2. This "royalty" has been treated as regular income and subject to deferral rules.
3. This proposal changes that and treats it as passive income (like interest).
4. This won't work, either ...
   - because it would behave like a disallowed expense, companies will put the real expense overseas and it will drive jobs offshore

C. The general principle

1. All the leading companies are global.
2. We decide on location for non-tax and non-expense reasons.
   - mainly local presence and efficient distribution
3. Any proposal that tries to use tax policy to keep jobs here is destined to failure.
   - requires too many rules that are anti-"commerce"; we'll figure a way around
   - the solution is a high skilled workforce that can compete in the world and a trade policy that leans on all economies to have a level playing field

3. Chronology

A. In the campaign .. BEFORE the high tech endorsement ...

1. The corporate tax folks heard BC speak about stopping companies from exporting jobs and they assumed that he would resurrect this languishing idea to tax profits overseas
2. I thought they were making up a crazy idea; that BC would never do that
   - I argued that all this concern and tax lawyer/lobbyist money was being spent for something that wasn't 'on the table.'
   - This was a new, centrist Democrat; not an anit-business Democrat
3. They were so insistent that I arranged a phone call with Rob Shapiro last fall
   - he said 'no promises'; they would look at it

B. After the election, the corporate tax people got feverishly working on it

1. I sent you a letter on January 13 ...
   - saying they were wasting lots of time and money and the Administration had a chance to show business it was serious about stopping foolish efforts
   - asking you to stop it before it got "legs"
2. The tax people kept their concern alive – in spite of my apparent lack of concern. I still did not believe the Administration would do this.

C. After the Inauguration

1. Tax folks looked to Apple to stop this
   - I refused to publicly join their angst (I look stupid in retrospect)
2. The State of the Union (written plan) apparently had these proposals in it.
3. John and I briefed BC on Air Force One on February 21 - on the way to the dinner.
4. BC mentioned it at the Silicon Valley dinner; said he wasn't aiming at the technology industry; he was concerned about other industries (Smith Corona ?)
5. After dinner, BC came up to Lew Platt and brought it up. He asked Lew to come up with a proposal to get the "bad guys" and spare the "good guys" - us.
6. Meanwhile, BC sent handwritten letter to John Sculley. "We're working at it."
7. And, Sculley talked with Altman. Roger said they were working at it.

D. Treasury came up with 25% of assets exclusion idea

1. Probably at Clinton's request
2. Rather than get rid of this whole idea, the tax proposal writers probably feel this is a good compromise

E. HP (with Apple help) came up with a proposal (met on March 12 with Altman)

1. It responded to Bill Clinton's request. It was designed to provide a surgical solution
   - $10,000/employee excise tax for jobs moved offshore
   - mitigated if company provides extensive training, etc. benefits
2. Probably too complicated, but at least it was an alternative

F. John Young met with Bentsen and described why the Administration proposals would not accomplish their apparent goals (mid-March)

1. John Young believed he was presenting a completely logical argument
2. Bentsen listened without committing

G. Altman called Stu Eisenstat (the lobbyist the companies had) and said NO

1. They had taken it to the highest levels (everyone assumed BC) and it came back

4. Why the proposal in the first place?

A. Is it designed to raise revenue?

1. Treasury estimates deferral will raise $700M over 5 years. That would be too low if it worked. It is probably too high because it won't.
2. We'll all be able to avoid it - by doing something that doesn't help US competitiveness
    - we will be compelled to invest offshore cash in offshore manufacturing and distribution facilities
    - or worse, in some other asset
3. Royalties would raise more. I don't know the amount; the Plan seems to show $6B for both royalties and deferral over 5 years.
    - I got this from Table 6 - a line called International Tax Provisions

B. OR - Is it designed to stop companies from producing overseas?

1. Many reasons why this will not be the effect
2. In fact, it could have the opposite effect
    - this was what John Young told Bentsen - in great detail

C. Who is giving this Administration advice?

1. John Young is an experienced guy who gave his advice - directly to Bentsen
2. John Sculley's company has been leading the fight
3. Whose opinion is more astute than these two *friends?*

5. The Politics

A. Administration in a box?

1. Probably don't want to give in now; want to stand firm against lobbying efforts?
2. That's why I wanted to get it out of the mix early.

B. The high tech endorsement - unusual support for a Democratic candidate and President

1. We really weren't looking for anything but smart government that understood the importance of technology in the global economy - and was willing to act
2. Not for 'payback' -- REALLY !
3. But not to get kicked in the teeth
4. We've all taken lots of heat; some criticism for so much visibility for John Sculley
5. My response has been that this Administration will do the smart thing.

C. Support for the Economic Plan

1. We probably have to oppose this provision and work on Congress
2. We can't deliver the high tech industry support
3. If the package eliminated the deferral and royalty provisions, we could probably get HP and IBM to support it
4. If not, we have a tough decision to make
   - HP and IBM will probably oppose without much debate
5. ... **and that should be a big problem for BC**
   - It puts John Sculley in a tough spot. He doesn't want to oppose BC on this. He also has the Apple shareholder's interest to weigh.
   - John Young has already begun to work on the alternative strategy of taking the issue to Congress.
   - Young waited 10 days after meeting with Bentsen - as a courtesy

D. The High Tech Opponents

1. A few high tech CEO's have recently become visible opponents
   - TJ Rodgers, CEO of Cypress Semiconductors, testified to Congress last week
   - He claimed others' support (eg. Scott McNealy,Gil Amelio)
2. We know TJ, so we can let him rant and rave
3. But this episode has made it hard to speak out in support of BC
   - like how you don't feel like fighting after getting kicked in the stomach

6. What can you do?

A. See this from your position as a close political advisor to BC

B. I just want to be sure BC knows what the high tech industry is feeling

1. My own loyalty is unchanged! I still believe BC can be America's greatest president
2. If BC knows the whole story and still wants it this way, I can accept that.
3. I can't sell it, however, without some good reasons.

C. Are there solutions?

1. Maybe Bentsen and Altman could work out a solution with our industry
   - eg. call Young in and ask him to help them make a compromise
2. Maybe forget the proposed new ITC (for large companies) and get rid of these 2 international tax provisions
   - The ITC is designed to cost $9B, I believe.
   - Large companies don't want the large company Investment Tax Credit; they'd rather have a lower rate (although the numbers are nowhere near the same)
   - These international tax proposals together are designed to raise $6B over 5 years

THE WHITE HOUSE
WASHINGTON

DATE: 04/13/93

NOTE FOR: MARCIA HALE

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

Information ☐

Action ☒X

Thank you.

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

cc:

THE PRESIDENT HAS SEEN
04.13.93

THE WHITE HOUSE

WASHINGTON

93 APR 13 P3:50

April 12, 1993

ACTION MEMORANDUM FOR THE PRESIDENT

FROM: MARCIA HALE

SUBJECT: PERFORMANCE OF CANDIDA

As you can see from the attached memorandum, Marsha Scott has investigated your possible attendance at a performance of Mary Steenburgen's play Candida. The play runs until April 25. do you really want to travel to New York to see the play?

YES____ NO____

Withdrawal/Redaction Sheet
Clinton Library

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SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

93 APR 13 P3:30

Today's Date: April 2, 1993

Request for: President Clinton

Type of Request: Honorary patron/speaker

Date of Request: February 9, 1993

Requestor Name:
Kent E. Schiner, President

Requestor Tel. #: 202-857-6553

Requestor Organization:
B'Nai B'rith International
1640 Rhode Island Avenue, N.W.
Washington, DC 20036-3278

Date of Event: October 24, 1993

Notes: Serve as hon. patron; POTUS indicated interest in attending 150th anniversary celebration dinner.

Recommendations:

4-13-93

MW No   MG no   JP Yes   MH ______

Type of response sent: __________ Date response sent: __________

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: April 2, 1993

Request for: President Clinton

Type of Request: Honorary patron

Date of Request: February 17, 1993

Requestor Name:
C. Payne Lucas

Requestor Tel. #: 202-462-3614

Requestor Organization:
Africare
Africare House
440 R Street, N.W.
Washington, DC 20001

Date of Event: October 14, 1993

Notes: Serve as Hon. chair of annual fund-raising for emergency assistance and development in Africa.

Recommendations:

MW No MG no JP Yes MH ______

Type of response sent: __________ Date response sent: __________

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: April 2, 1993

Request for: President Clinton

Type of Request: Award acceptance, Law School Medal for 1993

Date of Request: January 18, 1993

Requestor Name: Guido Calabresi

Requestor Tel. #: None listed

Requestor Organization:
Yale Law School Alumni Association
P.O. Box 401A Yale Station
New Haven, CT 06520

Date of Event: October 8, 9, and 10, 1993

Notes: Accept award of Yale Law School Medal (Gerald Ford accepted award in person). This is same weekend as POTUS' 20th class reunion.

Recommendations:

MW [illegible] MG OK. [illegible] JP up to mtt president MH ________

Type of response sent: __________ Date response sent: __________

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: April 2, 1993

Request for: President and Hillary Clinton (and Vice President and Tipper Gore)

Type of Request: Honorary chairs

Date of Request: March 8, 1993

Requestor Name: Nan Ellen D. East

Requestor Tel. #: 501-324-9215

Requestor Organization:
Alexander Graham Bell Association for the Deaf
Requestor's home address: 11 Tanglewood Lane
Little Rock, AR 72202

Date of Event: May 6, 1993

Notes: Invite to lend names as Honorary Chairs (and possibly attend) annual benefit

Recommendations:

MW ______ MG W JP NO MH ______

Type of response sent: ________ Date response sent: ________

recommend that BC and HRC
do national - not local

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: April 2, 1993

Request for: President and Hillary Clinton

Type of Request: Honorary co-chairs

Date of Request: March 2, 1993

Requestor Name: Linda Tear, Executive Director

Requestor Tel. #: 501-374-6661

Requestor Organization:
Big Brothers, Big Sisters of Pulaski County
628 W. Broadway, Suite 102
North Little Rock, AR 72114

Date of Event: None

Notes: Serve as Hon. chairs for national organization, no event attendance required.

Recommendations:

MW ________ MG N ________ JP NO ________ MH ________

Type of response sent: __________ Date response sent: __________

recommend that BC and HRC
do national, not local

[redacted]

THE WHITE HOUSE
WASHINGTON

4-13

Melanne -

as we discussed.

Todd

[redacted]

[redacted]

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release January 22, 1993

January 22, 1993

MEMORANDUM FOR THE SECRETARY OF DEFENSE

SUBJECT: Privately Funded Abortions at Military Hospitals

Section 1093 of title 10 of the United States Code prohibits the use of Department of Defense ("DOD") funds to perform abortions except where the life of a woman would be endangered if the fetus were carried to term. By memoranda of December 21, 1987, and June 21, 1988, DOD has gone beyond what I am informed are the requirements of the statute and has banned all abortions at U.S. military facilities, even where the procedure is privately funded. This ban is unwarranted. Accordingly, I hereby direct that you reverse the ban immediately and permit abortion services to be provided, if paid for entirely with non-DOD funds and in accordance with other relevant DOD policies and procedures.

You are hereby authorized and directed to publish this memorandum in the Federal Register.

WILLIAM J. CLINTON

# # #

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release January 22, 1993

January 22, 1993

MEMORANDUM FOR THE SECRETARY OF HEALTH AND HUMAN SERVICES

SUBJECT: Federal Funding of Fetal Tissue Transplantation Research

On March 22, 1988, the Assistant Secretary for Health of Health and Human Services ("HHS") imposed a temporary moratorium on Federal funding of research involving transplantation of fetal tissue from induced abortions. Contrary to the recommendations of a National Institutes of Health advisory panel, on November 2, 1989, the Secretary of Health and Human Services extended the moratorium indefinitely. This moratorium has significantly hampered the development of possible treatments for individuals afflicted with serious diseases and disorders, such as Parkinson's disease, Alzheimer's disease, diabetes, and leukemia. Accordingly, I hereby direct that you immediately lift the moratorium.

You are hereby authorized and directed to publish this memorandum in the Federal Register.

WILLIAM J. CLINTON

# # #

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release January 22, 1993

January 22, 1993

MEMORANDUM FOR THE SECRETARY OF HEALTH AND HUMAN SERVICES

SUBJECT: Importation of RU-486

In Import Alert 66-47, the Food and Drug Administration ("FDA") excluded the drug Mifepristine -- commonly known as RU-486 -- from the list of drugs that individuals can import into the United States for their "personal use," although the drugs have not yet been approved for distribution by the FDA. (*See* FDA Regulatory Procedures Manual, Chapter 9-71.) Import Alert 66-47 effectively bans the importation into this Nation of a drug that is used in other nations as a nonsurgical means of abortion.

I am informed that in excluding RU-486 from the personal use importation exemption, the FDA appears to have based its decision on factors other than an assessment of the possible health and safety risks of the drug. Accordingly, I hereby direct that you promptly instruct the FDA to determine whether there is sufficient evidence to warrant exclusion of RU-486 from the list of drugs that qualify for the personal use importation exemption. Furthermore, if the FDA concludes that RU-486 meets the criteria for the personal use importation exemption, I direct that you immediately take steps to rescind Import Alert 66-47.

In addition, I direct that you promptly assess initiatives by which the Department of Health and Human Services can promote the testing, licensing, and manufacturing in the United States of RU-486 or other antiprogestins.

You are hereby authorized and directed to publish this memorandum in the *Federal Register*.

WILLIAM J. CLINTON

# # #

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release January 22, 1993

January 22, 1993

MEMORANDUM FOR THE ACTING ADMINISTRATOR OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

SUBJECT: AID Family Planning Grants/Mexico City Policy

The Foreign Assistance Act of 1961 prohibits nongovernmental organizations ("NGO's") that receive Federal funds from using those funds "to pay for the performance of abortions as a method of family planning, or to motivate or coerce any person to practice abortions." (22 U.S.C. 2151b(f)(1)). The August 1984 announcement by President Reagan of what has become known as the "Mexico City Policy" directed the Agency for International Development ("AID") to expand this limitation and withhold AID funds from NGO's that engage in a wide range of activities, including providing advice, counseling, or information regarding abortion, or lobbying a foreign government to legalize or make abortion available. These conditions have been imposed even where an NGO uses non-AID funds for abortion-related activities.

These excessively broad anti-abortion conditions are unwarranted. I am informed that the conditions are not mandated by the Foreign Assistance Act or any other law. Moreover, they have undermined efforts to promote safe and efficacious family planning programs in foreign nations. Accordingly, I hereby direct that AID remove the conditions not explicitly mandated by the Foreign Assistance Act or any other law from all current AID grants to NGO's and exclude them from future grants.

WILLIAM J. CLINTON

# # #

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release January 22, 1993

January 22, 1993

MEMORANDUM FOR THE SECRETARY OF HEALTH AND HUMAN SERVICES

SUBJECT: The Title X "Gag Rule"

Title X of the Public Health Services Act provides Federal funding for family planning clinics to provide services for low-income patients. The Act specifies that Title X funds may not be used for the performance of abortions, but places no restrictions on the ability of clinics that receive Title X funds to provide abortion counseling and referrals or to perform abortions using non-Title X funds. During the first 18 years of the program, medical professionals at Title X clinics provided complete, uncensored information, including nondirective abortion counseling. In February 1988, the Department of Health and Human Services adopted regulations, which have become known as the "Gag Rule," prohibiting Title X recipients from providing their patients with information, counseling, or referrals concerning abortion. Subsequent attempts by the Bush Administration to modify the Gag Rule and ensuing litigation have created confusion and uncertainty about the current legal status of the regulations.

The Gag Rule endangers women's lives and health by preventing them from receiving complete and accurate medical information and interferes with the doctor-patient relationship by prohibiting information that medical professionals are otherwise ethically and legally required to provide to their patients. Furthermore, the Gag Rule contravenes the clear intent of a majority of the members of both the United States Senate and House of Representatives, which twice passed legislation to block the Gag Rule's enforcement but failed to override Presidential vetoes.

For these reasons, you have informed me that you will suspend the Gag Rule pending the promulgation of new regulations in accordance with the "notice and comment" procedures of the Administrative Procedure Act. I hereby direct you to take that action as soon as possible. I further direct that, within 30 days, you publish in the <u>Federal Register</u> new proposed regulations for public comment.

You are hereby authorized and directed to publish this memorandum in the <u>Federal Register</u>.

WILLIAM J. CLINTON

# # #

THE PRESIDENT HAS SEEN
4-13-93

Mack
Worth reading
carefully

Congress Balks at Clinton's Proposals For Cutting Taxes, Increasing Spending

By DAVID WESSEL
Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON—Three months into his presidency, Bill Clinton is having trouble persuading Congress to do two things that Congress usually does happily: cut taxes and increase spending.

On the tax front, Mr. Clinton's proposal to revive the investment tax credit — a key to his strategy for giving the economy a quick boost — is all but dead. And no one with clout in Congress is talking about a tax cut for the middle class — a much-discussed feature of Mr. Clinton's campaign platform that evaporated as soon as he was elected.

On the spending front, President Clinton almost surely will pare his economic-stimulus spending plan to get it by Senate Republicans. And his budget director, Leon Panetta, conceded last week that Mr. Clinton will have to trim his longer-run "investment" spending plan as well, because of congressionally set caps on spending.

"The politics are changing," said Martha Phillips, former chief of the Republican staff on the House Budget Committee and now executive director of the Concord Coalition, an anti-deficit group. "Fortunately, elected officials do occasionally listen to their constituents."

Although Ross Perot's success in selling fiscal austerity to the public may be partly responsible for the shift in congressional sentiment, Mr. Clinton, ironically, probably had something to do with it as well. He campaigned on the need for increased public investment; but after his inauguration, he also preached the need for sacrifice to bring the deficit down. "Clinton pushed the ball," Ms. Phillips said. "He didn't expect Congress to take him so seriously."

In an effective display of party discipline, the Democratic congressional leadership pushed through a budget resolution that embodies Mr. Clinton's deficit-reduction plan — and, in some respects, goes beyond it. The private Committee for a Responsible Federal Budget figures that the resolution gives appropriations committees $11 billion less to spend in fiscal 1994, which begins Oct. 1, than Mr. Clinton's new budget proposes.

As previously reported, the chairmen of the tax-writing committees, Rep. Dan Rostenkowksi (D., Ill.) and Sen. Daniel Patrick Moynihan (D., N.Y.), said in separate interviews late last month that they don't support the investment tax credit. Over the weekend, however, Senate Majority Leader George Mitchell (D., Maine) and House Speaker Thomas Foley (D., Wash.) reiterated their support for the tax credit. "I don't think it's dead," Mr. Mitchell said yesterday on ABC-TV's "This Week with David Brinkley."

Under Mr. Clinton's plan, big companies would get a tax credit for certain purchases of equipment made between Dec. 3, 1992, and Dec. 31, 1994; for small businesses, the tax credit would be permanent. Congress's Joint Committee on Taxation figures the two credits would cost about $29.5 billion over the next five years.

In the House Ways and Means Committee and the Senate Finance Committee, the question is what to do with that money once the horse-trading over the tax bill begins.

Using the money to reduce the deficit is the least likely option. Without the revenue-losing investment tax credit, Congress would need to raise other taxes less, and Mr. Rostenkowski has suggested revising Mr. Clinton's plan to raise $31.2 billion by increasing the corporate income-tax rate to 36% from the current 34%. Other Democrats are interested in using the money to sweeten the research and development tax credit.

Treasury Secretary Lloyd Bentsen, in an appearance on NBC-TV's "Meet the Press" yesterday, said any substitute for the investment tax credit "must be. . . .something that's investing in the

Please Turn to Page A12, Column 2

Congress Balks at Clinton's Plans For Tax Cut, Spending Increase

Continued From Page A2

future of the country to try to encourage the creation of jobs." He wasn't specific. Administration economists argue that the temporary investment tax credit would pack a particularly strong and quick punch because it would encourage businesses to buy equipment before the end of next year; they contend that other tax breaks might not have the same effect.

Some Republicans, meanwhile, are talking about using the money so that Congress doesn't have to accept Mr. Clinton's plan to raise $32 billion by increasing taxes on Social Security benefits paid to the wealthiest 20% of the elderly. That's an approach Mr. Moynihan may find attractive. Republicans relish the prospect of a partisan battle that has Mr. Rostenkowski and other Democrats siding with business, while they defend Social Security recipients; Mr. Moynihan, who is up for re-election in 1994, may not be as eager as isMr. Rostenkowski to side with corporate interests.

Meanwhile, Democrats and Republicans continue to fence over Mr. Clinton's proposal to authorize an additional $16.3 billion in deficit spending for programs that the administration believes would create jobs rapidly. In the Senate, it takes only 41 votes to prevent a measure from coming up for a vote; Republicans have 43 votes and have blocked the bill. Mr. Mitchell said yesterday that he was still waiting for Senate Republican Leader Bob Dole of Kansas to offer a scaled-back alternative.

In an interview yesterday on CBS-TV's "Face the Nation," Sen. Dole said he is averting a bidding war; instead, he suggested a bipartisan compromise. "Out of 43 Republicans," he said, "not very many want to do anything except the unemployment piece," a reference to a $4 billion appropriation to fund jobless benefits.

But House Speaker Foley said many House Democrats will resist any scale back of the plan. On CNN's "Evans and Novak," he conceded: "What the Senate can pass. . . .will probably define the level of the stimulus package."

Mr. Bentsen reiterated the administration's war cry. Accusing the Republicans of fostering "gridlock," he said the stimulus is needed because nascent economic recovery still isn't creating enough jobs.

THE WALL STREET JOURNAL MONDAY, APRIL 12, 1993

THE PRESIDENT HAS SEEN
4 · 13 · 93

Washington State Health-Care Package Sets Up an Early Test for Clinton Ideas

By JOHN J. FIALKA
Staff Reporter of THE WALL STREET JOURNAL

OLYMPIA, Wash. — The state of Washington is about to enact one of the nation's most ambitious health-care plans, which could provide an early test of the Clinton administration's approach.

The plan will provide basic coverage to the state's 500,000 uninsured residents and will try to contain health costs by requiring "managed competition" among doctors and hospitals and by imposing ceilings on health insurance premiums.

The state's plan, which will cost $478 million a year when it is fully implemented, was passed 56-42 by Washington's House of Representatives after 14 hours of party caucuses, behind-the-scenes political dickering and often emotional debates. Rep. Dennis Dellwo, chairman of a House committee that led the floor fight, said the measure contains most of the basic ingredients being discussed for nationwide application by the Clinton administration.

The package, which is similar to a version that previously passed the state's Senate, will begin in July and be phased in over five years. Democratic Gov. Mike Lowry is expected to sign the measure after the two chambers reconcile their differences. The legislation will be financed by a package of new taxes, primarily stiff increases in state taxes on cigarettes, beer, wine and liquor.

Rep. Dellwo said the principle of cost control "goes through the whole thing" and that many of the ideas in the bill were inspired by the so-called Jackson Hole Group of experts that is advising President Clinton.

"We have wrapped in this all those theories that we think will work," said the legislator, who defended the "sin tax" increases on the basis that alcohol and smoking cause major health problems.

Rep. Dellwo and a phalanx of fellow Democrats held off a determined lobbying blitz by beer distributors, cigarette manufacturers, small business owners and health insurers, who argued that the economic effects of the measure will be harmful. "We're going where no state has gone before in regards to health-care reform," argued Republican Rep. Clyde Ballard.

"I don't think more than 10% of the people know what's in this bill," asserted Mr. Ballard, referring to the 137-page measure that will change nearly everything in the state's health-care industry.

The bill establishes a five-member commission, appointed by the governor, to regulate health services. It will design a basic health benefits package that will be available to all state residents, and set a ceiling on health insurance premiums that will be tied to the rise in individual income in the state.

The bill will broaden the powers of the state's insurance commissioner, Deborah Senn, allowing her to set up 10 "health insurance purchasing cooperatives" with at least 100,000 members to give individuals and small businesses added clout in bargaining for health coverage packages from private insurers. The insurance commissioner would also oversee regulations designed to encourage cost-cutting and competition among health-care providers.

The bill requires employers to pay at least 50% of health insurance premiums for workers and their dependents, including employees who work a minimum of 30 hours a week. The workers would pay the remainder. By July 1, 1998, the bill will require all state residents to enroll in a state-certified health insurance plan. Health care for the unemployed would be subsidized by the state.

Health-Service Revenue Increased 10% in 1991

By a WALL STREET JOURNAL *Staff Reporter*

WASHINGTON — Revenue for the nation's health-service industries continued to climb in 1991, topping $571 billion, a 10% increase from 1990, the Census Bureau said.

The agency, in a new survey, said revenue increased in every health-service segment it examined, with home health care and kidney dialysis centers showing the largest gains — 19.2% and 18%, respectively. Dental laboratories showed the smallest pickup, with a 0.9% increase.

Hospitals accounted for more than half of all revenue for the health-services industries in 1991, exceeding $305 billion. That was a jump of nearly 11% from the previous year. Nursing and personal-care facilities had nearly $40 billion in revenue, a 10% rise from 1990.

In addition, the Census Bureau said revenue for doctors' offices and clinics rose 7.2% in 1991 to $138 billion. Private insurance programs generated 40% of the total revenue reported by doctors' offices and clinics. Medicare and Medicaid, meanwhile, accounted for nearly 30%.

More than 60% of total revenue for nursing and personal-care facilities in 1991 was from Medicare and Medicaid payments. Some 27% was from direct patient payments.

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THE PRESIDENT HAS SEEN
4·13·93

Survey: Plan no boon to jobs

President Clinton's economic plan would create 8% fewer jobs next year than if there were no plan, economists say.

That's the most surprising result of the latest USA TODAY/CNBC quarterly economic survey.

Without the Clinton plan, 1.94 million non-farm jobs will be added in 1994, according to the 51 economists surveyed. With the plan, they expect that 1.79 million jobs would be added next year. Key reason cited: The plan's proposed higher taxes would slow the economy. The plan wouldn't affect job creation much this year.

"The financial markets understand this plan will damage the economy and slow economic growth," says Jeff Thredgold, chief economist at KeyCorp in Salt Lake City. "That's why long-term interest rates are coming down, not because they believe Clinton is a president who is finally willing to face up to the deficit."

On the budget deficit, 61% say the plan would reduce it the next five years. But economists are split on whether the plan would improve the economy five years from now.

— Beth Belton

Dems bending on spending plan

By Maria Puente
USA TODAY

Prospects for ending the Republican filibuster of President Clinton's economic stimulus plan remained uncertain Sunday, with hints of compromise from Democrats and skepticism from Republicans.

Meanwhile, Clinton's proposed tax credit for business was criticized by two key Democrats, Sen. Daniel Patrick Moynihan, chairman of the Senate Finance Committee, and Rep. Dan Rostenkowski, head of the House Ways and Means Committee.

Moynihan said the two "are pretty well pledged to the idea" of eliminating tax loopholes, not creating them. He said Congress probably will reject Clinton's bid to give business a $21 billion tax credit to create jobs by encouraging equipment purchases.

Clinton's stimulus plan, a $16 billion spending proposal, is stalled in the Senate by the Republican members.

Senate Majority Leader George Mitchell, D-Maine, mentioned the possibility of "reducing the scope" of the proposal on ABC's *This Week With David Brinkley*.

But Mitchell would not be pinned down on how much Democrats and the White House might be willing to cut: "However much is necessary to gain 60 votes, and I don't know what that figure is."

Sixty votes are needed to end the GOP's delaying tactics, but all 43 Republicans in the 100-member Senate have repeatedly voted to keep the filibuster going. The Senate is in recess but returns April 20.

Treasury Secretary Lloyd Bentsen, on NBC's *Meet the Press*, said one solution might be the proposal by conservative Democrats to delay some of the stimulus spending until more budget cuts are made.

"Some of those things will probably be considered again," Bentsen said.

But Minority Leader Robert Dole, R-Kan., raised doubts on CBS's *Face the Nation*. He said the only piece of the plan both sides like is $4 billion for extended jobless benefits.

"Beyond that, I'm not certain whether we can put together a package that would satisfy Republicans and President Clinton," he said.

▶ Economists react, 3B

76

WASHINGTON

DATE: 04/12/93

NOTE FOR: RAHM EMANUEL

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

Information XXX

Action ☐

Thank you.

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

cc:

THE PRESIDENT HAS SEEN
THE PRESIDENT HAS SEEN
4-12-93

THE WHITE HOUSE

WASHINGTON

April 12, 1993

93 APR 12 P12:03

RECOMMENDED PHONE CALL

TO: Mayor John Nordquist of Milwaukee
414-286-5599

DATE: Monday, April 12, 1993

RECOMMENDED BY: Rahm Emanuel

PURPOSE: To express concern regarding the water contamination problem that the City of Milwaukee is experiencing. The Mayor is meeting with the (Republican) Governor later today and it would be very helpful if he were able to say he had spoken with the President.

In addition, we will use this unfortunate occurrence to push the stimulus package which includes wastewater treatment provisions.

BACKGROUND: As you know, the Milwaukee water system was contaminated with a bacterial virus. Many residents have become very ill as a result of drinking the water. This has become increasingly politicized.

TOPICS OF DISCUSSION:

1. Express concern for the city and for the individuals who have been infected.

2. What steps are being taken to treat the individuals who have gotten sick? How serious are the illnesses?

3. How wastewater treatment measures included in the stimulus package will help prevent this from happening again.

CONTACT PERSON AND TELEPHONE NUMBER: Rahm Emanuel
202-456-1125

DATE OF SUBMISSION: April 12, 1993

ACTION: 4:15 pm

THE WHITE HOUSE
WASHINGTON

DATE: 4/12

NOTE FOR: Tony Lake

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:

To Tony Lake

THE CARTER PRESIDENTIAL CENTER

THE PRESIDENT HAS SEEN
4/12

3/12/93

To President Bill Clinton

You asked me in the Oval Office about China. My guess is that former presidents Nixon, Ford, & Bush would join me in the basic thrust of this editorial.

Best wishes,

Jimmy

EDITORIAL

BY MORTIMER B. ZUCKERMAN
EDITOR-IN-CHIEF

CHINA'S NEW REALITY

The leader of China, Deng Xiaoping, has seen the communist future and knows it does not work. Instead of Marxism, or socialism with a Chinese face, the Chinese have come to rely on an ism that does work: capitalism. It has enabled them to achieve one of the century's great economic miracles. In a single generation, one fifth of mankind has been raised up from poverty; in another, several hundred million people will be elevated to the ranks of the middle class.

Since Deng came to power in 1978, real per capita gross national product has virtually tripled. Last year, GNP grew by over 12 percent, investment by over 40 percent and foreign trade by over 22 percent. Now more than 60 million Chinese are middle-class, with enough money for color televisions and washing machines. Over 200 million will be in the middle class by the year 2000.

'The Chinese are pursuing wealth with the same ardor once reserved for class struggles.'

Numbers do not tell everything. The Chinese are pursuing wealth with the same ardor once reserved for class struggles and mass political movements. Theirs is an economic revolution from the bottom up, in contrast to Russia's top-down approach. China now has the accouterments of a consumer society – neon lights, gleaming hotels, smart department stores, fast food, fashion shows and U.S. soap operas. Urban glitter has replaced socialist grimness.

Behind all this is the reality of a market economy for virtually all consumer and industrial commodities, joint ventures with foreigners, stock exchanges and a well-educated work force willing to work for $2 to $4 a day and save 38 percent of its income. With a domestic market of 1.2 billion and access to the capital and business skills from diaspora Chinese, China's economy seems set to grow at 10 percent a year and double again in the next eight. Political leaders may talk politics in Beijing, but everybody in China is talking business.

The downside? China may be vulnerable to the boom and bust of rapidly expanding capitalism – think of America, 1929. And there is a risk that hard-liners may try to get China back to Maoism when Deng dies. But most experts see the current reforms as unstoppable.

The political risks are exaggerated in the American press, which still focuses on the repression of democratic protesters in Tiananmen Square in June 1989. The Army has been reshuffled since then. Reformers have a significant majority in the party's highest reaches. If Chinese leaders don't bring further progress, the next upheaval will not be driven by students demanding democracy but by the middle class insisting on more prosperity. Political leaders will be forced to accommodate demonstrators instead of shooting them for, as in Taiwan and Korea, economic success tends to produce a more pluralistic and humane society.

America should rely on these organic forces instead of taking action to frustrate them. That is the effect, though not the intent, of congressional pressure to deny China most-favored-nation trade status. If we isolate China, we will isolate the very elements we should be nourishing – those in the business and professional classes. We will play into the hands of hard-liners.

This does not mean we should be blind to Beijing's excesses. A private dialogue that balances incentives and pressures has already proved fruitful. We have seen more tolerance in China. Prisoners have been released faster, passports returned to demonstrators. We have secured an unqualified commitment to adhere to the Missile Technology Control Regime.

China is a superpower. It has nuclear weapons. It is a permanent member of the Security Council. It has the world's biggest market. It is the future ruler of that capitalist metropolis, Hong Kong. It could be a potent force in settling regional conflicts, such as a clash between the two Koreas or between India and Pakistan. With the wrong leadership and cold-shouldered by the West, it could be a major force for destabilization.

The upsurge of anger over Tiananmen Square was right and necessary. But righteous indignation is not a policy. The Chinese, too, have cause for indignation – over our sales of fighter planes to Taiwan, for example. What we must have now is a dialogue with China, encompassing weapons proliferation as well as human rights, trade practices as well as passports.

Flexing our moral muscles, we would be wise to remember that the symbol of China's rulers is the dragon. It breathes fire only when it is attacked. ■

THE WHITE HOUSE
WASHINGTON

DATE: 04/12/93

NOTE FOR: BILL GALSTON

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

Information XXX

Action ☐

Thank you.

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

cc:

THE PRESIDENT HAS SEEN 4-12-93

Bill Galston

Good meeting

Thanks

BC

THE WHITE HOUSE

WASHINGTON

April 9, 1993

MEETING WITH ELI SEGAL

DATE: April 12, 1993
LOCATION: Oval Office
TIME: 4:30 p.m.
FROM: Eli Segal

I. PURPOSE

The purpose of this meeting is to review Eli Segal's memorandum of March 24, 1993 (copy attached) regarding policy decisions that need to be resolved regarding national service legislation. Eli will also brief you regarding the various national service activities underway.

II. BACKGROUND

See attached memorandum from Eli.

III. PARTICIPANTS

Office of National Service
- Eli Segal
- Rick Allen (Deputy Director)
- Jack Lew (General Counsel)

Department of Education
- Secretary Riley
- Deputy Secretary Kunin

Domestic Policy
- Shirley Sagawa

Office of Management and Budget
- Alice Rivlin

Congressional
- Susan Brophy

IV. PRESS PLAN Closed.

V. SEQUENCE OF EVENTS

Unless you prefer otherwise, the meeting can follow the order of items in the attached decision memorandum.

VI. REMARKS None.

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15th anniversary

conference

603-778-7391

Please support case management Reimbursement in the Home

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THE PRESIDENT HAS SEEN
4.11.93

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A FEEXIBLE, NONDISCRIMINATING APPROACH:

THE SUPPLEMINTAL LONG TERM CARE PACKAGE

Americans may disapprove strongly of paying for a separate long term health package that would seemingly benefit only the disabled and elderly. They would probably be far more supportive of a supplemental Federal long term package added to the back of every insurance policy that kicks in where basic coverage ends.

Health care insurers no longer want the responsibility for long term healthhcare coverage. The Federal government is now forced to step in and provide a national long term health care package. The long term health care package should not be a separate entity forcing the insured to leave existing coverage.

Family needs change and a supplemental approach would allow employers to offer basic insurance packages without having to discriminate against those individuals with long term healthcare problems. The supplemental approach would offer something for every American by providing long term health care security. It would also reverse the potential tide of resentment against the disabled and elderly communities for their presumed added tax burden.

All insurers would be required to pay a fee for relinquishing long term care to the Federal government. This payment would help equalize the premiums for the insured and help finance the long term package.

Last of all, the supplemental approach would allow stability of long term care while basic packages are created and modified over time.

Karen Christich
455-1855
a solution to long term care that will equalize the system for insurers, employers, and all insurance holders. A good way to sale long term to public.

[redacted]

mother of [illegible] cerebral palsy [illegible]

Frances [illegible]

advisory Council for Exceptional Children

THE WHITE HOUSE
WASHINGTON

DATE: 4/12

NOTE FOR: Barbara Chow

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: Mach

Agnus
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Roy N
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93 APR 9 P1:32

THE WHITE HOUSE

WASHINGTON

April 8, 1993

THE PRESIDENT HAS SEEN
4.12.93

MEMORANDUM FOR MACK MCLARTY

From: Barbara Chow

SUBJECT: Little Rock Courthouse

I. SUMMARY

The Little Rock Courthouse is one of 11 courthouse projects funded in the fiscal 1994 budget request. It was ranked highly by the General Services Administration and the amount requested is consistent with levels proposed by the Bush administration but lower than authorized levels.

II. DISCUSSION

Funding for the Little Rock Courthouse will pay for the renovation of a dilapidated General Services Administration building until recently inhabited by the University of Arkansas law school but subsequently returned to the government. It will be used to house the bankruptcy court, thereby alleviating overcrowding problems in the other courthouse. It was selected for funding because it ranked high on the GSA and court priority list (although it would be difficult to distinguish it from other courthouse projects on substantive grounds.)

The amount of funding requested in fiscal 1994 ($14.1 million) represents a $6 million reduction from the authorized level and is consistent with levels proposed by the Bush administration. This project was of special interest to Representative Hammerschmidt but has also been followed closely by Senator Pryor.

To put this project in context, it should be noted that it is one of 16 new GSA construction projects (11 courthouses) approved in the $750 million fiscal 1994 budget in the GSA new construction account. It was included in the list you saw because it was significantly reduced from the authorized level and is politically sensitive. The other courthouse projects on the list were all considered low priority by the GSA.

OK - as long as there are genuine returns -

THE WHITE HOUSE
WASHINGTON

DATE: 4/12

NOTE FOR: Bill GALSTON

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

Information ☑
Action ☐

As long as the answer to the President's question is yes, I don't think anything further needs to happen

Thank you.

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

cc:

THE PRESIDENT HAS SEEN
4.12.93

THE WHITE HOUSE

WASHINGTON

March 13, 1993

Galston
(take it w/ Riley or
on this memo —
BC

MEMORANDUM FOR THE PRESIDENT

FROM: JOHN PODESTA JDP
TODD STERN (P)

SUBJECT: SCHOOL CHOICE

Attached are memos from Secretary Riley and from Bill Galston concerning the school choice aspect of the education bill Riley has prepared. The bill -- now in the OMB clearance process -- also deals with goals, standards, and assessing performance.

In a nutshell, Galston thinks the draft bill does not go far enough in supporting public school choice -- especially in light of your record as Governor and presidential candidate.

Galston and Riley agree that increased public school choice should not be mandated, but disagree over whether the bill should include a demonstration program. Riley contends this would be too expensive and would arouse opposition on the Hill. Galston argues that a small, affordable program -- of the sort proposed in a bill recently introduced by Sen. Lieberman -- could give local education innovators a needed federal boost. He says we should at least test whether strong administration support for school choice could overcome congressional opposition.

Howard Paster favors Secretary Riley's approach. He also notes that he thinks the views of the NEA and AFT are important; NEA opposes school choice, while AFT is willing to listen.

George leans in Galston's direction, but believes that, before deciding against Riley, you should convene a meeting to hear him out.

This matter is time sensitive because Sen. Kennedy is eager to get going on your bill before the April recess and is waiting for it to be sent up.

Take Galston Approach __ Take Riley Approach __ Convene Meeting __ Discuss __

[redacted]

Army to Run Test of AIDS Drug Despite Objections

By Sally Squires
Washington Post Staff Writer

A1

The deadline for stopping a controversial $20 million test of an experimental AIDS vaccine expired yesterday, ensuring that clinical trials of the drug will proceed despite strong objections from federal health officials and leading AIDS researchers.

The Department of the Army confirmed yesterday that it planned to test a therapeutic AIDS vaccine manufactured by MicroGeneSys of Meriden, Conn. Known as VaxSyn, the vaccine contains gp160, a substance made from part of the outer coating of the AIDS virus. The experimental vaccine is one of several new drugs designed to slow or halt progression of full-blown AIDS in HIV-infected individuals.

The Defense Department, with its large system of medical facilities, plays a major role in AIDS drug research, including trials on civilians. But the choice of which drugs to test is traditionally made by scientists at the National Institutes of Health (NIH). In the case of the gp160 vaccine, however, Congress bypassed NIH and specified both the vaccine and the funding level after extensive lobbying efforts by MicroGeneSys, which hired former senator Russell B. Long (D-La.) to influence key legislators.

The trial was mandated by an amendment to the defense appropriations bill passed last fall. The amendment required that the trial proceed unless the NIH director, the commissioner of the Food and Drug Administration (FDA) and the secretary of defense unanimously determined not to proceed within six months of the bill's passage.

In letters sent last Thursday to Defense Secretary Les Aspin and House Appropriations Committee Chairman William H. Natcher (D-Ky.), both NIH Director Bernadine P. Healy and FDA Commissioner David A. Kessler recommended

See VACCINE, A16, Col. 1

THE PRESIDENT HAS SEEN
4 12 93

AIDS Drug Test Draws Objections

VACCINE, From A1

that the trial be conducted only if it included testing of other therapeutic vaccines now under development by Genentech, Chiron-Biocine, ImmunoAG and Immunization Products Ltd.

"The large-scale clinical trial should not be limited to military personnel and veterans, and should include a broad-based civilian population group, extending to underrepresented minorities, injecting drug users and others among whom the incidence of HIV infection is high," Healy wrote.

But an Army spokeswoman, Sgt. Dawn Kilpatrick, said yesterday that despite these recommendations, "the Army has decided to test only the gp160 [MicroGeneSys] vaccine." That decision "was made Feb. 27," Kilpatrick said. "No adjustments can be made in the clinical trial."

"This is an outrageous example of why you shouldn't put scientific directives and protocol in statutes," Healy said yesterday.

A Defense Department spokeswoman, Susan Hansen, said yesterday that Aspin had no comment on the matter.

The vaccine, which has been tested since 1989 in HIV-infected volunteers, is intended to reduce the virus's ability to destroy CD4 cells, an integral part of the body's immune defense—thus prolonging the period between initial infection and the onset of serious AIDS symptoms.

Exactly when the trial will begin is not certain. But the Army Medical Research and Development Command is conducting a cost-analysis of running the study, Kilpatrick said. Once that is complete, the Army will request proposals from various hospitals and medical centers interested in participating in the large-scale trial, she said.

Kilpatrick said the Army had decided to limit the trial to one vaccine because of cost.

But Healy said yesterday that her agency had passed on to the Defense Department an analysis by a team of design experts that showed how three drugs and a placebo could be evaluated in 12,000 patients over three years for less than $20 million.

Leading AIDS researchers and AIDS activists also sharply criticized the Army's decision in a letter to Aspin sent Monday.

"It is now a matter of considerable regret to the scientific and HIV-affected communities that the Department of Defense has chosen to utterly ignore the recommendation of the NIH and the FDA by proceeding with a trial of a single product," wrote Dani Bolognesi of Duke University and others. "This unilateral decision of the U.S. Army," they wrote, "bodes ill for the prospect of future cooperation between federal agencies involved in HIV research."

19

THE WHITE HOUSE
WASHINGTON

[redacted]

DATE: April 14, 199[illegible]

NOTE FOR: SECRETARY ASPIN

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)

[redacted]

cc:

THE PRESIDENT HAS SEEN 2037
4-12-93

THE WHITE HOUSE

WASHINGTON

April 9, 1993 93 APR 9 P8:22

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: ANTHONY LAKE
HOWARD PASTER

SUBJECT: Letter from Congressman Pete Peterson Concerning Homosexuals in the Military

Purpose

To respond to a letter from Congressman Pete Peterson which recommends an approach for lifting the ban on homosexuals in the military.

cc: Les Aspin

Background

Congressman Peterson recommends the discontinuation of pre-induction screening for sexual orientation followed by the issuance of an executive order which includes the statement:

"No person will be involuntarily released from the military service except as necessary under a general reduction in force; failure to uphold the oath of office taken at enlistment or commission; failure to meet the professional standards required for individual specialty or for conduct unbecoming as measured by the provisions contained in the Uniform Code of Military Justice (UCMJ)."

The response at Tab A thanks Congressman Peterson for his proposal, and promises that it will be considered along with the recommendations due from DoD on July 15.

RECOMMENDATION

That you sign the letter to Congressman Peterson at Tab A.

Attachments
Tab A Letter to Congressman Pete Peterson
Tab B Incoming Correspondence

cc: Vice President
Chief of Staff

[redacted]

THE WHITE HOUSE

WASHINGTON

Dear Pete:

I greatly appreciate your recommendation on the issue of homosexuals in the military. I agree that our armed forces should be judged by their personal and professional conduct rather than their sexual preferences.

As you know, I have asked Secretary Aspin to provide his recommendations on the subject by July 15, and I will forward your suggestions to him. His review, together with the views and opinions expressed in ongoing Congressional hearings, will ensure that all possible approaches are considered.

Thank you for your thoughtful contribution to this effort.

Sincerely,

The Honorable Pete Peterson
House of Representatives
Washington, D.C. 20515

[redacted]

2037

008347

PETE PETERSON
2D DISTRICT, FLORIDA

COMMITTEE
ON
APPROPRIATIONS
SUBCOMMITTEES:
ENERGY AND WATER
RESOURCES
AGRICULTURE AND RURAL
DEVELOPMENT

Congress of the United States
House of Representatives
Washington, DC 20515-0902

WASHINGTON OFFICE:
426 CANNON BUILDING
WASHINGTON, DC 20515-0902
(202) 225-5235

DISTRICT OFFICES:
930 THOMASVILLE ROAD, SUITE 101
TALLAHASSEE, FL 32303
(904) 561-3979

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(904) 526-7516

LAKE CITY
(904) 752-1088

30 WEST GOVERNMENT STREET
ROOM 203
PANAMA CITY, FL 32401
(904) 785-0812

March 18, 1993

The Honorable Bill Clinton
President
The White House
1600 Pennsylvania Avenue, Northwest
Washington, D.C. 20500

Dear Mr. President:

The emotional and somewhat militant uproar over your proposal to allow homosexuals to serve in the U.S. military seems to be subsiding now. I assume, however, you will soon address this issue again during the House and Senate hearings. I would like to recommend one approach that could potentially take to put this issue behind us.

My recommendation has two parts: one which has essentially been executed and another in the form of a policy statement.

1. The Joint Chiefs of Staff issue an order to permanently discontinue the pre-induction screen for sexual orientation.

2. Issue an executive order containing the following statement:

> " No person will be involuntarily released from the military service except as necessary under a general reduction in force; failure to uphold the oath of office taken at enlistment or commission; failure to meet the professional standards required for individual specialty or for conduct unbecoming as measured by the provisions contained in the Uniform Code of Military Justice (UCMJ)."

Taking the two actions recommended above would, I believe, address the concerns expressed by the U.S. military leadership. By not specifically listing homosexuals in the action, we do not officially designate that segment of our population a minority group. Furthermore, it directly responds to your initiative to make involuntary release from the service purely a professional or conduct question.

I appreciate your consideration of this recommendation. I would be happy to discuss the recommendation in greater detail should you be interested.

Sincerely,

Pete

Pete Peterson, M.C.

THE WHITE HOUSE

WASHINGTON

March 30, 1993

MEMORANDUM FOR WILLIAM ITOH
NSC Executive Secretariat

FROM: HOWARD G. PASTER

SUBJECT: Presidential Correspondence

Attached are copies of letters that were sent to the President from various members of Congress.

Since these letters address National Security issues, we would appreciate your assistance in having drafts written.

Thank you very much for your assistance. If you have any questions, please feel free to call LeeAnn Inadomi at x7500.

The following is a brief description of the letters:

1) Lee Hamilton (D-IN), concerning base closure in North Vernon, Indiana. Chairman Hamilton has forwarded a letter from his constituent, the mayor of North Vernon. I have sent an interim reply to the Chairman and have indicated that the President would be responding directly to the mayor.

2) ~~Pete Peterson (D-FL)~~, concerning gays in the military;

3) Tim Valentine (D-NC), concerning foreign aid.

Attachments

THE WHITE HOUSE
WASHINGTON

[redacted]

DATE: 4/12

NOTE FOR: Tony Lake

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)

[redacted]

cc: Carol Rasco

THE PRESIDENT HAS SEEN
4-12-93

THE WHITE HOUSE

WASHINGTON

April 8, 1993

'93 APR 8 P1:48

How can we be against this - every [illegible] not take

MEMORANDUM FOR THE PRESIDENT

FROM: ANTHONY LAKE
HOWARD PASTER

SUBJECT: United Nations Convention on the Rights of the Child

Purpose

To respond to Senators Leahy, Lugar, Bradley and Hatfield.

Background

Senators Leahy, Lugar, Bradley and Hatfield have written to you urging you to support the United Nations Convention on the Rights of the Child. The Convention establishes minimum standards for governments in realizing basic rights for children. Further, the Convention establishes a committee of experts to monitor the performance of governments in meeting these standards, and to support governments in this effort.

The U.S. position on a range of human rights-related treaties is now the subject of a State Department review, and we should soon receive an options paper on these issues. Attached for your consideration is a letter that expresses support for the goals of the Convention on the Rights of the Child without prejudging the results of that review.

RECOMMENDATION

That you sign the letter at Tab A.

Attachments
Tab A Draft Letters to Senator Leahy, Lugar, Bradley and Hatfield.
Tab B Incoming Correspondence

THE WHITE HOUSE

WASHINGTON

Dear Mr. Chairman:

Thank you for your letter regarding U.S. ratification of the Convention on the Rights of the Child.

We currently are reviewing the possibility of U.S. accession to a variety of human rights-related instruments. The Convention on the Rights of the Child is one of the subjects of that review. As you may know, accession would require that we resolve legal questions concerning the relationship between the Treaty and state and local laws. Let me assure you, however, that I strongly endorse the goals of this Treaty, which, if realized, would help to ensure that children here and abroad grow up in a safe and nurturing environment.

I appreciate learning of your interest in this Treaty, and hope to work with you on this and other issues relating to protection of international human rights.

Sincerely,

Bill

The Honorable Patrick J. Leahy
United States Senate
Washington, D.C. 20510

[redacted]

THE WHITE HOUSE

WASHINGTON

Dear Senator Lugar:

Thank you for your letter regarding U.S. ratification of the Convention on the Rights of the Child.

We currently are reviewing the possibility of U.S. accession to a variety of human rights-related instruments. The Convention on the Rights of the Child is one of the subjects of that review. As you may know, accession would require that we resolve legal questions concerning the relationship between the Treaty and state and local laws. Let me assure you, however, that I strongly endorse the goals of this Treaty, which, if realized, would help to ensure that children here and abroad grow up in a safe and nurturing environment.

I appreciate learning of your interest in this Treaty, and hope to work with you on this and other issues relating to protection of international human rights.

Sincerely,

[redacted]

The Honorable Richard Lugar
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

Dear Bill:

Thank you for your letter regarding U.S. ratification of the Convention on the Rights of the Child.

We currently are reviewing the possibility of U.S. accession to a variety of human rights-related instruments. The Convention on the Rights of the Child is one of the subjects of that review. As you may know, accession would require that we resolve legal questions concerning the relationship between the Treaty and state and local laws. Let me assure you, however, that I strongly endorse the goals of this Treaty, which, if realized, would help to ensure that children here and abroad grow up in a safe and nurturing environment.

I appreciate learning of your interest in this Treaty, and hope to work with you on this and other issues relating to protection of international human rights.

Sincerely,

The Honorable Bill Bradley
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

Dear Senator Hatfield:

Thank you for your letter regarding U.S. ratification of the Convention on the Rights of the Child.

We currently are reviewing the possibility of U.S. accession to a variety of human rights-related instruments. The Convention on the Rights of the Child is one of the subjects of that review. As you may know, accession would require that we resolve legal questions concerning the relationship between the Treaty and state and local laws. Let me assure you, however, that I strongly endorse the goals of this Treaty, which, if realized, would help to ensure that children here and abroad grow up in a safe and nurturing environment.

I appreciate learning of your interest in this Treaty, and hope to work with you on this and other issues relating to protection of international human rights.

Sincerely,

Bill

The Honorable Mark O. Hatfield
United States Senate
Washington, D.C. 20510

.1414
003878

United States Senate

WASHINGTON, DC 20510

February 18, 1993

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

Dear Mr. President:

On November 20, 1989, the United States joined other members of the General Assembly in the unanimous adoption of the United Nations Convention on the Rights of the Child. It is now time that the United States join the ranks of the 128 other nations, including all of the industrialized Western countries, that have ratified the Convention. The Convention is an important and effective document. It has the support of both Houses of Congress and from both political parties. Furthermore, the Convention has been endorsed by a broad coalition of groups: AFL-CIO, Oxfam America, B'nai B'rith International, the Children's Defense Fund, Christian Children's Fund, U.S. Committee for UNICEF, American Association of Retired Persons, Association of Junior League International, Catholic Charities and Amnesty International.

The Convention on the Rights of the Child, if implemented, will help ensure that children here and abroad grow up in a safe and nurturing environment. The Convention recognizes that children are the most vulnerable segment of any society, and need special protections. And it provides for the most basic political, legal, economic, social, and cultural rights of children. It simply establishes minimum standards that governments should strive for in realizing these rights.

Perhaps even more important, the Convention will establish legal minimum standards for the treatement of children in other countries. Countries without child labor laws would be urged to enact them. Torture of children would be forbidden. Governments would be encouraged to provide primary health care and education. The Convention establishes a committee of experts to monitor the performance of governments in meeting these standards, and to support these governments in this effort.

We urge you to give the Convention the support it deserves by signing the Convention and sending it to the Senate for consideration.

Respectfully,

Richard G. Lugar

Bill Bradley

Patrick J. Leahy

Mark O. Hatfield

BB/cwd

THE WHITE HOUSE
WASHINGTON

DATE: 04/12/93

NOTE FOR: BILL GALSTON

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

Information XX

Action ☐

Thank you.

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

cc:

THE WHITE HOUSE

WASHINGTON

THE PRESIDENT HAS SEEN
04-12-93

April 9, 1993

MEETING WITH SECRETARY RILEY

DATE: April 12, 1993
LOCATION: Oval Office
TIME: 4:00PM
FROM: William A. Galston WAG

I. PURPOSE

You will meet with Secretary Riley to review the Education Department's draft of the Goals 2000 education reform bill.

II. BACKGROUND

The Secretary and other senior representatives of the Department of Education have conducted extensive discussions on the Hill concerning this draft. The Secretary believes that he is close to a bill that will effectively promote your longstanding reform objectives for our public education system. He wishes to present what has been accomplished to date for your review and to obtain your guidance concerning outstanding unsettled issues. His hope is that a perfected version of Goals 2000 can soon be transmitted to the Congress over your signature.

III. PARTICIPANTS

In addition to Secretary Riley, other participants from the Department of Education will include Billy Webster (chief of staff), Terry Peterson (counsel), and Mike Cohen (consultant). I will be present at the meeting representing the Domestic Policy Council.

IV. PRESS PLAN

There will be no press coverage.

V. SEQUENCE OF EVENTS

Secretary Riley will present the highlights of the Goals 2000 bill and solicit your advice.

VI. REMARKS

No formal remarks are required. I have attached a briefing paper on the Goals 2000 bill.

[redacted]

THE WHITE HOUSE
WASHINGTON

DATE: 4/13/93

TO: GEORGE STEPHANOPOULOS

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

[redacted]

The attached has been forwarded to the President.

[redacted]

Potus / File
2) Gi. S -
3) Desk - Carr Margret

TIME

MARGARET B. CARLSON
Deputy Bureau Chief

1050 Connecticut Avenue, N.W.
Suite 850
Washington, D.C. 20036-5334

202-861-4000

March 31, 1993

Dear Mr. President,

As with many things in life, I didn't appreciate the campaign--and how easy it was to see you--until it was over. That's why running into you serendipitously in the hallway, even though you caught Gene Sperling in the act of spilling state secrets--was so wonderful. Gene can always find another job.

But non-economists don't have it so easy. And it would help me to keep my job if you would let me interview you about being president--or let me spend a day hanging out with you to observe what being president is like.

I know there are hundreds of reporters clamoring for a minute of your time. But the New York Times and the Wall Street Journal have more or less done their day and week in the life of the president respectively. And then there's that soft 48 Hours on CBS.

Think of me as Dan, without the Texas accent but the same starry eyes. We don't have 10 million viewers, but we do have 4.5 million subscribers and that's without counting the pass along rate of all those dog-eared copies at the dentist's office. There are people waiting for root canal at this moment reading about A Day in the Life of Ronald Reagan.

You have many bigger fish to fry, but I hope you'll think about it. And, in any event, it was a pleasure to see you. When I told my daughter about it, the first thing she asked was whether there was a picture. She's been inconsolable since we lost our camera at one of the Inaugural Balls after having managed to get a picture of her in the reviewing stand across from yours at the parade that made it look as if she was in the same picture as you and Mrs. Clinton. This would have raised her stock at school considerably.

Well, I hope you'll think about it.

Sincerely,

Margaret

THE PRESIDENT HAS SEEN
4/13

To ACG → This is encouraging
Let's get close & want to discuss
Details
B

U.S. Cracks Door to World Forest Agreement

By WILLIAM K. STEVENS

The Clinton Administration reconsiders Bush policies.

THE Clinton Administration will offer an olive branch this week to tropical countries on the bitterly divisive issue of protecting the world's forests, according to Administration and State Department officials. Environmentalists say the move might eventually open the way for negotiation of a world forest treaty.

It could also be one of a series of actions this spring and summer signaling an Administration intention to reassert American leadership on international environmental issues after the Bush Administration's diplomatic floundering at the Earth Summit last year in Rio de Janeiro.

The meeting often pitted developing countries jealous of their valuable natural resources against industrialized countries who see uncontrolled exploitation of those resources as dangerous to the global environment. Nowhere was the clash more rancorous than over the issue of forests.

Tropical countries led by Malaysia, a major timber exporter, charged that the main burden for protecting forests was being forced on them by temperate countries that had long since over-exploited their own forests. Malaysia and its allies torpedoed an American-led effort to negotiate a forest treaty even before the summit began, and the United States and its allies were lucky to salvage even a weak statement on forest management principles.

Talks on Timber Agreement

The forum for a possible start in recouping the situation is the opening of talks today in Geneva to renegotiate the 1987 International Tropical Timber Agreement. Under the agreement, countries that export tropical timber undertake voluntary efforts to exploit their forests while preserving them ecologically. Tropical forests contain a majority of the world's dwindling store of plant, animal and microbial species. But the tropical countries, charging discrimination and unfair competition, want the agreement expanded to include forests in temperate countries like the United States and subarctic climates like those of Canada and Russia.

Environmentalists support this view and want the agreement to have some teeth as well. If tropical and temperate countries agree on these issues, they hope, the rancor that has surrounded the forest question will be dispelled and the main roadblock to negotiating a treaty for all types of forest exploitation will be removed.

The Bush Administration adamantly opposed expanding the timber agreement to include temperate forests. But officials close to the situation, who would speak only on the condition that they not be named, said that American representatives in Geneva would explore ways in which both temperate and tropical countries could pledge themselves to a policy of harvesting timber while preserving forests. This goal of sustainable cutting of trees would be achieved by the end of this decade under proposals for revising the timber agreement.

"We could agree to those kinds of principles," said one Administration official, who added that the United States would acknowledge in Geneva that some complaints by tropical countries about a double standard were valid. But how any agreement on principles gets translated into specific provisions is critical, and it is far from clear that the United States can ultimately agree with tropical countries on the details.

Further, it is unclear how an effective agreement applying sustainable harvesting principles to temperate countries would affect forestry practices in the United States itself. The Administration is wrestling now, for instance, with how to reconcile economic and ecological interests in the Pacific Northwest, and the outcome of that dispute is far from assured.

Shift Would Be Significant

No conclusions are likely to be reached in four days of meetings this week in Geneva, said a State Department official involved in the talks who characterized this first round as exploratory. A second round of talks is to take place in late June.

The United States has been the spokesman for the temperate countries' caucus in preliminary meetings leading up to the timber talks, and any shift in its position would carry great weight. Its new stance is therefore "very, very encouraging," said Bill Mankin, the coordinator of the Global Forest Policy Project of the National Wildlife Federation, Sierra Club and Friends of the Earth.

"It's the first opening, the first break" in the temperate-tropical impasse on forests, Mr. Mankin said.

The rebuff to the Bush Administration on forests at the Earth Summit was accompanied by an outcry over its standing alone among major countries in refusing to sign the global biodiversity treaty designed to help protect the world's array of biological species. It was also widely criticized for winning weaker controls than other countries wanted on emissions of heat-trapping gases that could cause global warming.

The Clinton Administration has been engaged in a reassessment of international environmental issues. The Administration is reviewing the biodiversity treaty and is widely expected to reverse the Bush policy and sign the pact. It has also signaled to a meeting of countries that negotiated the global-warming treaty signed in Rio that the Administration was willing to consider stronger steps to control heat-trapping gases.

THE NEW YORK TIMES, TUESDAY, APRIL 13, 1993

CHRON

THE WHITE HOUSE

WASHINGTON

93 APR 16 P4:03

MEMORANDUM TO JOHN PODESTA
RAHM EMMANUEL

FROM: MARSHA SCOTT SL

DATE: APRIL 16, 1993

SUBJECT: OFFERS OF HELP

When the public writes to the President from outside the beltway with offers of help or asking how they can help, how do I answer them? Is there any legitimate way they can be referred to a partisan entity such as the DNC?

Please advise.

Thanks

MARSHA —
I don't think that's appropriate, but I've referred to Vince for an opinion. We also can't ask them to write Congress. Responses have to be more generic.

John

cc. Vince — is my understanding of the law correct

cc. Rahm

CHRON

THE WHITE HOUSE
WASHINGTON

DATE: 4/17

TO: NSC

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

The President's did
NOT see, but was
briefed on the attached

John Podesta
this note
should be
added to HIV -
Guantanamo memo
(5)

NATIONAL SECURITY COUNCIL

31-Mar-1993 15:58 EDT

UNCLASSIFIED

MEMORANDUM FOR: SEE BELOW

FROM: Eric P. Schwartz
(SCHWARTZ)

SUBJECT: HIV-positive Haitians: additional information receiv

Tony/Sandy:

As you know, the judge in the New York Federal District Court identified two subgroups of Haitians as the subjects of his order: those with T-Cell counts of 200 or below and those with T-Cell percentages of 13% or below. His order suggests that all of the first and some of the second are not now receiving "adequate" medical care at Guantanamo.

In the memo to the President on this issue, two options with respect to these Haitians were presented:

Option 1: bring them all into the U.S.;

Option 2: bring in all of those in the first subgroup, who are identified at one point in the memo as AIDs sufferers; and bring in only those within the second subgroup who are deemed, after a case-by-case review, to require care not now available at Guantanamo.

Since drafting the memo, I have obtained information relevant to these options. I've spoken directly with (and received written materials from) doctors from the National Institutes of Health and the Center for Disease Control, and also obtained additional information from Guantanamo medical personnel via the Justice Department. I've learned that:

-- NIH and CDC make little or no distinction between the two subgroups (i.e., T-Cell of 200 and below, and T-Cell percentage of 13% and below) for "case definition" purposes. Both subgroups are considered to have AIDs, a fact of which I was not aware when I first prepared the memo. Moreover, NIH and CDC doctors told me they could not understand the basis of the distinction between the two subgroups made by the government doctor during the trial. It was this distinction upon which the judge relied in making his order. (I am continuing to try to determine the basis of the distinction made by the government doctor.)

-- Based on comments by the infectious diseases specialist at

Guantanamo, any case-by-case review of the second subgroup is likely to result in decisions to allow all of the second subgroup to come into the United States.

The implication of these two points is that the second option may not turn out to be any different than the first. This, of course, would be relevant to any conversation you might have with the President on the issue.

Distribution:

FOR: Samuel R. Berger	(BERGER)
FOR: W. Anthony K. Lake	(LAKE)
FOR: Clara E. Kyim	(KYIM)
FOR: Mary C. Emery	(EMERY)
FOR: Wilma G. Hall	(HALL)
FOR: Dona F. Proctor	(PROCTOR)
FOR: Kristen K. Cicio	(CICIO)
FOR: Katherine M. Mathis	(MATHIS)
CC: Records	(RECORDS)

CHRON

Brief Will Put the House At Odds With Clintons Over Open Meeting Law

Photo by Laura Patterson

Hillary Rodham Clinton: The White House says she's a federal employee, but a federal judge will decide the question.

By Mary Jacoby

House leaders from both parties will file a "precautionary brief" today backing a law requiring presidential task forces to hold open meetings — a position that appears to defy the Clinton Administration's contention that First Lady Hillary Rodham Clinton's health care task force meetings can operate in private.

But House Counsel Steve Ross played down the importance of the filing and called it routine. "It's an effort to avoid an erosion of Congressional authority," he said yesterday.

The House amicus curiae — or "friend of the court" — brief is being filed in connection with the appeal of a lawsuit challenging the Administration's decision to close meetings of the health care reform task force. The Association of American Physicians and Surgeons, Inc., the American Council for Health Care Reform, and the National Legal and Policy Center filed a lawsuit in February trying to force the meetings open.

US District Judge Royce C. Lamberth ruled on March 10 that the meetings had to be held in public, but that sessions devoted to advising the President on policy options could be private.

In its appeal, the Department of Justice argues that Hillary Clinton is in essence an unpaid federal employee because of her status as the President's wife and her office in the White House. Therefore, the First Lady should not have to open the meetings, according to the DOJ argument.

The law in question is the Federal Advisory Committee Act (FACA), passed in 1972. It requires advisory committee meetings that include non-federal employees to be open to the public.

Lamberth's ruling, in effect, declared part of the FACA unconstitutional as applied specifically to the task force — a position with which the House does not agree.

The House believes that FACA is wholly constitutional, Ross said.

The plaintiffs also disagree with that ruling and have filed a cross appeal, said their lead attorney, Kent Masterson Brown of Lexington, Ky.

Brown said the House decision to file the amicus brief means "they are coming in to defend the statute, because they understand the Justice Department is not going to." He added, "Clearly, there is a clash between the two branches of government. How deep that goes, I don't know."

> ***Counsel Ross played the filing down but said it's 'an effort to avoid erosion of Congressional authority.'***

The House's legal interest in the litigation involves only a separation of powers issue, Ross said. The filing of such briefs is not unprecedented, he said.

The House is drawn into the dispute by one of the legal arguments the Justice Department is making in the case, Ross said. Justice claims that even if the court rules Hillary Clinton is not a federal employee, the task force still can meet in secret because FACA itself is unconstitutional.

The House wants to be prepared to defend its law if the judge chooses to address this issue, Ross said. "It's a precautionary brief," he added.

"We will take a very limited position," Ross said. "We will not address the question of whether she [Clinton] is a federal employee or not."

Ross said the brief was initiated at the request of House Government Operations Committee Chairman John Conyers (D-Mich) and the panel's ranking member, Rep. Bill Clinger (R-Pa).

Frank Northam, local attorney for the three interest groups that filed the suit, said his forces had spoken to staffers for Sen. Charles Grassley (R-Iowa) and Clinger about the possibility of Congressional amicus briefs.

Grassley's press secretary, Caran McKee, said the Senator was "just interested as a member of the Judiciary Committee."

Minority Government Operations Committee staff did not return phone calls seeking comment. The White House also did not return a call.

The court will hear arguments in the appeal April 30. Brown said a ruling could take as long as 30 more days.

It's not certain the court will address the separation of powers issue, Ross said. It will only be taken up if considered relevant.

The Senate, meanwhile, will not get involved, said Senate Legal Counsel Michael Davidson.

In an April 2 speech on the Senate floor, Governmental Affairs Committee Chairman John Glenn (D-Ohio) said any questions of FACA's constitutionality should be addressed in amendments to the law, not through a defense presented by the Senate legal counsel.

Glenn introduced legislation in the 100th and 101st Congresses to amend the law to make Congressional intent more clear. But the bill died in committee.

"There is good reason in the present matter, however, to rely on the effort of the Department of Justice to persuade the court that FACA does not apply to this task force, and to address the constitutional issues in the course of considering amendments to FACA," Glenn said April 2.

Asbestos Barrels in Capitol Hall

By Timothy J. Burger

More than 70 barrels of asbestos are being stored in a Capitol hallway, the Architect of the Capitol's office confirmed yesterday. The barrels are awaiting disposal as part of a long-term asbestos removal project that involves the entire Congressional complex.

The barrels, in a hallway on the Senate Terrace level of the Capitol, are capped by lids sealed with duct tape and bear labels that read: "Caution! Clean Lids Prior to Opening to Avoid Potential Contamination."

The barrels present no hazard to passersby, the Architect's office insisted yesterday.

"There's nothing dangerous about it all," said Tom Ward, the Architect's supervising engineer in the Capitol. "As long as those drums are kept sealed, not at all."

"All I know is they're being stored there by whatever standards our safety engineer has established," said Bill Raines, administrative assistant to the Architect, George White.

Asked whether these standards meet those set forth by the Environmental Protection Agency and the Occupational Safety and Health Administration (OSHA), Raines said he "assume[d] that's within OSHA standards or whoever issues the" guidelines. "We've gone one step beyond that in this case because the standards only require that you have it in the yellow bags.... We've put it in the yellow bags and in the drum."

Raines said the barrels are moved out of the hallway and trucked to a dump site "whenever the need arises." Such a transport is expected today or Friday.

He said the hallway is lined with 73 barrels full of asbestos and about 50 empty barrels awaiting such use. The asbestos is being removed from a room near the hallway in which the barrels are sitting.

The room houses "air handling equipment" that is being replaced.

Raines said the air in the Capitol is "absolutely" monitored to ensure that no asbestos has made it into the air supply — and that precautions are taken to ensure this doesn't happen.

A Capitol Police spokesman insisted there is no concern on the part of department officials over the Architect's storage of asbestos near police offices.

Car Accident Kills Thurmond's Child

Continued from page 1

law, championing children's

CHRON

EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON, D.C. 20500

April 16, 1993 93 APR 16 P7:28

MEMORANDUM FOR THE PRESIDENT

FROM: ALAN BLINDER AB

SUBJECT: Foreign Economic Developments

Exchange Rates: The yen rose during the last week relative to both the dollar and the deutschemark. The dollar is closing this week at around \$1 = 112 yen, down about 0.9 percent for the week, and nearly \$1 = 1.62 DM, up about 1.0 percent.

Japan

- Japan announced a fiscal stimulus package totaling 13.2 trillion yen (2.8 percent of GDP). Analysts so far are divided on how much of this represents new spending.

- During the fiscal year that ended March 1993, the Japanese trade surplus was \$111 billion, up from \$88 billion in the previous fiscal year. Exports rose 7.2 percent, while imports rose only 0.3 percent. But, the seasonally-adjusted Japanese trade surplus in March was down slightly.

- Wholesale prices fell 2.3 percent in March on a year-over-year basis.

- Private sector "key" machinery orders fell 15.9 percent in March on a year-over-year basis.

- Outstanding debts arising from bankruptcies rose 15.5 percent in March on a year-over-year basis.

Europe

- **French** GDP rose just 1.2 percent in 1992, the same rate as in 1991. Industrial output was unchanged in March from its February level.

- **UK** retail prices rose 1.9 percent in March on a year-over-year basis.

Other

- **Canada's** index of leading indicators fell 0.5 percent in March after a 1.7 increase in February. Their merchandise trade surplus fell to 1.1 billion Canadian dollars in February from 2 billion Canadian dollars in January.

- **China** recorded a \$1.2 billion trade deficit in the first quarter of 1993 compared with a \$1.2 billion trade surplus in the first quarter of 1992.

EXECUTIVE OFFICE OF THE PRESIDENT

COUNCIL OF ECONOMIC ADVISERS

WASHINGTON, D.C. 20500

April 16, 1993

MEMORANDUM FOR THE PRESIDENT

FROM: ALAN BLINDER AB

SUBJECT: Interest Rates and Money Supply, Week Ending Friday, April 16, 1993

Long-term interest rates touched a 16-year low during the week; short-term rates also fell. The continued downward trend in rates has been attributed both to expectations of low inflation and weaker economic growth. Changes in Treasury borrowing rates over the week were as follows:

	Close 4/8/93*	Close 4/16/93
Three-month bills	2.96	2.90
10-year bonds	5.97	5.89
30-year bonds	6.85	6.76

*Markets were closed on April 9.

The stock market closed at a new record high this week. The S&P index closed Friday (April 16) at 448.94, up 1.6 percent from the preceding Thursday's close. The Dow Jones Industrial Average increased 2.4 percent by Friday, closing at 3478.61, one-half point over the previous record high achieved last month.

This week the Fed announced the average level of the money stocks for the week ending April 5. During the week M2 and M1 both increased, while M3 decreased. Since March of last year, M1 and M2 have increased by 10.6 and 0.1 percent respectively, while M3 has decreased by 1.4 percent.