

THE WHITE HOUSE
WASHINGTON

chron

DATE: 6/11

NOTE FOR: Jack Gibbons

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

Information ☐

Action ☒

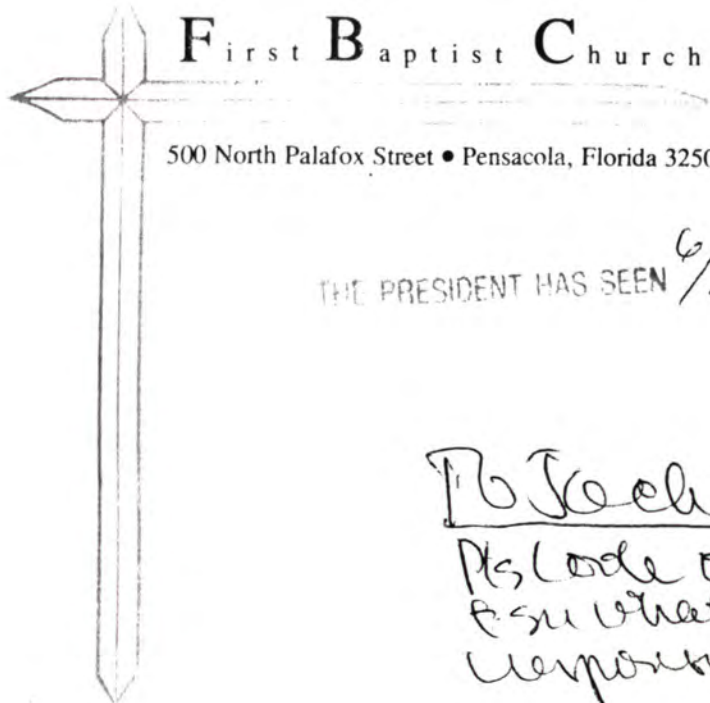
as appropriate
You might check
with Jack Quinn
as how to proceed

John

Thank you.

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

cc:



500 North Palafox Street • Pensacola, Florida 32501

THE PRESIDENT HAS SEEN 6/11

The President
The White House
1600 Pennsylvania Avenue
Washington, D.C.

Bob Keck Gibbons
As Lord over this
P.S. What if
Responsibility is appropriate
R.

F i r s t B a p t i s t C h u r c h

June 9, 1993

The President
The White House
1600 Pennsylvania Avenue
Washington, D.C.

Dear Mr. President:

Our prayers continue to be with you as you seek to guide our nation. I appreciate your interest in health care since it is of concern to all of us. Hardly a week goes by without a member of our church dying of some form of cancer.

Recently I have had the opportunity of crossing the path of Dr. Clarence Cone, Jr., a sixty-two-year-old scientist who has devoted the last twelve years of his life to cancer research. He is a distinguished Ph.D. in both biochemistry and molecular biology. His career includes service with NASA and several research projects.

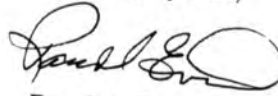
Dr. Cone has focused on a weakness common to all cancer cells that is known as the Warburg defect and has perfected a therapy using two (2) inexpensive, non-toxic drugs which kill the cells. He has made application for testing and approval to the FDA through the National Cancer Institute. Due to the political and medical bureaucracy surrounding the FDA and the power of money to keep the medical establishment as is, this approval can be difficult to obtain.

Would you examine the material and give consideration to using the power of the presidency to give the Cone Therapy a high priority for research? Only the Lord knows how much human suffering would be alleviated if we could find a breakthrough in the treatment or alleviation of cancer.

The President
Page 2
June 9, 1993

I am very appreciative of your attention to this matter. Please be assured of our continued prayers. It would be an honor for us for you to visit our beautiful Northwest Florida beaches and see our military facilities. Next to our native Arkansas, this might be God's country.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "Randel Everett", written in a cursive style.

Randel Everett

RE/jbf

Enclosure

THE WHITE HOUSE
WASHINGTON

DATE: 06/11/93

NOTE FOR: BRUCE LINDSEY

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

Information ☒

Action ☒

Thank you.

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

cc:

THE WHITE HOUSE
WASHINGTON

June 11, 1993

Cynthia Perrin Schneider
17201 Norwood Road
Sandy Spring, Maryland 20860

Dear Cynthia:

Thank you for your letter. I was glad you could come to the movie, and Hillary and I hope we can do it again soon.

I appreciate your interest in serving on the National Council on the Arts or the President's Committee on the Arts and Humanities. You certainly have much to offer to our nation, and I have shared your letter with Bruce Lindsey.

Again, thanks for writing.

Sincerely,

Bill

BL

*12 letters
to
Arthur*

COVER SHEET

FAX TO: President Bill Clinton
202-456-1121

FROM: Cynthia P. Schneider

tel. 301-570-4782
fax. 310-570-9497

NUMBER OF PAGES INCLUDING COVER: 5

~~BC Memo~~
Jury -
NCC reply
PC 5/6
ack 6/10
M. Mc w/c

Cynthia P. Schneider
17201 Norwood Rd.
Sandy Spring, Md. 20860
tel. 301-570-4782, fax 301-570-9497
June 10, 1993

President Bill Clinton
The White House
fax 202-456-1121

Dear Bill,

I apologize for bothering you with a request of my own when you have so many things on your mind. I will be brief, but first, let me just say that Tom and I are behind you \$100. Also, thank you so much for the great evening at the movies!

I am writing to express my strong interest in being nominated to the National Council on the Arts. I believe that my professional background qualifies me for the position. I have had experience both in academia - as an Associate Professor at Georgetown --and the practical world of museums (see attached CV). I began my career as an Assistant Curator at the Museum of Fine Arts, Boston, and more recently organized the major international loan exhibition at the National Gallery Rembrandt's Landscapes: Drawings and Prints, shown in the spring of 1990.

My experiences with arts during the campaign made me all the more interested in arts in the public arena and the role that governments can play in promoting art. I served on the Arts transition team and was Arts Policy Coordinator, and also initiated and organized the artists' commemorative Inaugural Posters.

I would bring to the Council knowledge and experience in the arts, as well as a strong commitment to introducing America's artistic richness to as many people as possible.

If I am not appointed to the Council on the Arts, I would also be interested in the President's Committee on the Arts and Humanities. If that group were revived with a membership divided between arts people and potential donors, it would be able to both generate and implement ideas.

Thank you in advance for any help you are able to give me.

On another subject, I have given Nancy Hernreich a list of possible dates for you and Hillary and Chelsea to come to our house for a little relaxation in the country, swimming, golf if you like, and hamburgers. I hope you will be able to find the time.

All the best to you and to Hillary and Chelsea,

Cynthia
Cynthia P. Schneider

encl.: curriculum vitae (3 pages)

Cynthia Perrin Schneider

Associate Professor of Art History

Department of Fine Arts
Georgetown University
Washington D.C. 20057

tel. 301-570-4782/202-687-6957 fax 301-570-9497

EMPLOYMENT

GEORGETOWN UNIVERSITY, Washington D.C. August 1984 to present

Assistant Professor of Fine Arts 1984-1990

Associate Professor of Fine Arts with tenure 1990-

NATIONAL GALLERY OF ART, Washington D.C. 1987-1990
Curator and organizer of exhibition (outside contract), Rembrandt's Landscapes: Drawings and Prints.

MUSEUM OF FINE ARTS, BOSTON 1981-1984
Assistant Curator of European Paintings

BOARDS OF DIRECTORS

Member, Board of Directors National Museum of Women in the Arts 1990-

EDUCATION

Harvard University Ph.D in Fine Arts, 1984

Harvard University B.A. Magna cum Laude in Fine Arts, 1977

Oxford University Diploma Course in Art History, 1975-76

PUBLICATIONS

Rembrandt's Landscapes, New Haven and London: Yale University Press, 1990.

Rembrandt's Landscapes: Prints and Drawings, exhibition catalogue, National Gallery of Art, Washington D.C., 1990. Catalogue for the international loan exhibition I organized, held at the National Gallery March 11 - May 20, 1990.

With John Walsh, Jr., A Mirror of Nature: Dutch Paintings from the Collection of Mr. and Mrs. Edward William Carter, exhibition catalogue, Los Angeles County Museum of Art, 1981. New expanded edition published 1992 by Cross River Press.

Articles on topics ranging from Rembrandt to Renoir to Michelangelo, published in art journals from 1979-91.

PAPERS AND LECTURES

Numerous lectures on Rembrandt and Dutch art delivered at symposia and professional meetings (including a lecture delivered in French at the Louvre), from 1986- 1990.

General lectures on Rembrandt and Dutch art delivered at the National Gallery of Art, Los Angeles County Museum of Art and Georgetown University.

Cynthia Perrin Schneider
Associate Professor of Art History, Georgetown University
tel.301-570-4782, fax 301-570-9497

CLINTON/GORE CAMPAIGN ACTIVITIES

ARTS

Inaugural Artists' Posters -initiator and organizer of project. Selected six artists to produce commemorative posters for inaugural. One of the posters has been selected for an international design award and is currently on exhibit at the Grand Palais, Paris. Organized press conference attended by all the inaugural artists.

Member, Arts & Humanities Transition Task Force (museum task force, under Deborah Sale).

Arts Policy Coordinator, Clinton/Gore campaign (working with Bill Halter).

FUNDRAISING

Together with my husband, Tom Schneider, raised \$500,000, including \$150,000 before the convention.

POLITICAL

Member, Executive Committee, Montgomery County Clinton/Gore campaign. Volunteer coordinator for general election.

Surrogate speaker during primary and general election, including Democratic National Convention, and interviews and debates in French for Canadian and French radio and TV.

Producer of campaign video "Maryland for Clinton", sold and distributed in Maryland during the general campaign.

Slated delegate for Bill Clinton in Maryland Democratic primary election..

REFERENCES

Bill Clinton, Hillary Rodham Clinton, David Gergen, Mack McLarty, Bruce Lindsey, Rahm Emanuel.

THE WHITE HOUSE
WASHINGTON

DATE: 06/11/93

NOTE FOR: SYLVIA MATTHEWS

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

Information ☒

Action ☐

Thank you.

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

cc:

THE WHITE HOUSE

WASHINGTON

June 10, 1993

R. L. Crandall
Chairman and President
American Airlines
Post Office Box 619616
Dallas/Fort Worth Airport, Texas 75261-9616

Dear Bob:

Thank you for your letter. I enjoyed our luncheon very much, and I am pleased you could join us.

I appreciate your recommendation of a multi-year "business plan," and I've carefully considered the cases which you suggest are examples of the government's lack of interest in creating jobs or in otherwise helping to increase economic growth. I have taken the liberty of sharing your letter with Secretary Bentsen, Director Panetta, Bob Rubin, and Laura D'Andrea Tyson for full discussion.

I look forward to seeing you soon.

Sincerely,

Bill

*cc Sylvia
Mathews*

American Airlines

R. L. CRANDALL
CHAIRMAN AND PRESIDENT

June 2, 1993

*✓ RE ALBIS
✓ on B Sub in
to memo*

The President
The White House
Washington, DC 20500

Dear Mr. President:

Thanks very much for an opportunity to participate in your Wednesday luncheon; I enjoyed it and hope you found it helpful.

In the course of our discussions, we touched on the idea of a multi-year "business plan," specifically contrasting that with the government's present ineffective efforts to construct and use five-year budgets.

It seems to me that a business plan must be built on several presumptions not now widely held in the Federal government:

1. We must realize that the United States is no longer as strong relative to the rest of the world as was true in the early post-war period. This reality deprives us of the ability to pursue geopolitical and social goals with the single-mindedness possible when our economy was so strong that it could support whatever aspirations we might have.
2. We must accept the closely related corollary that to be a world power, a country must have an economy able to support its leadership. While the United States still has the world's largest economy, our relative -- and per capita -- strength has diminished dramatically in recent years; worse, there is every indication that our relative decline will continue.
3. These facts support our need for a business plan which focuses on creating a stronger U.S. economy and more U.S. employment opportunities. In the longer term that business plan can and should provide for accomplishing some of the social goals you have so ably articulated -- better education, universal and less costly health care, better inner-city housing, etc. -- but in the short term it must be rigorously focused on creating economic strength and jobs. To do so, you must establish clear-cut goals and objectives for the government as a whole against which departments can measure their tactical activities.

4. As a first step -- as you acknowledged during your campaign -- we must rid ourselves of the persistent budget deficit. To do so, however, we must not tax away the vitality of our economy by making the United States less attractive to capital than other venues. The combined effects of the higher personal and corporate tax rates you have proposed amount to an incremental tax on capital returns of about 20%; in my view, and that of many economists, this will drive capital offshore and discourage investment. You heard a very explicit acknowledgment of this from Chuck Knight when he said, during our luncheon, that each one percent of incremental taxation will force him to eliminate 1,500 jobs in order to sustain earnings per share.

While cutting Federal expenditures is difficult, I think the American public is ready for straightforward vigorous leadership in that direction and that given such leadership, it will compel the Congress to support the needed cost reductions. Today, after accepting your representation of yourself as a "new Democrat," the public is troubled by its perception that your administration is taking on the shape of the "tax and spend" Democratic administrations of the past. The public knows spending must be cut; to establish momentum for your program, I think it is critical that you acknowledge the priority of doing so.

In this regard, I think Jack Welch's suggestion -- while dramatic -- is a very positive one. Announcing that spending cuts will be larger than currently anticipated, and will be implemented before tax increases are imposed would have a dramatically positive effect on public opinion, the financial market and most important of all, public confidence.

I also hope you will take another very careful look at the BTU tax. In my view, that tax is a very inefficient way of raising revenues and will have adverse impacts far worse than those originally anticipated.

5. We must create a real partnership between the Federal government and the business community which recognizes the primacy of achieving our economic objectives and assigns all other goals lower priorities. Unfortunately, Mr. President, the Federal bureaucracy does not currently seem committed to either creating jobs or encouraging economic growth. Indeed, many departments seem indifferent -- or worse -- to whether U.S. businesses succeed or fail. Here are a few examples:

- A. The recently constituted "National Commission to Ensure a Strong Competitive Airline Industry" has only one airline executive among its members; in my view, the long-standing and difficult problems of an industry essential to our country's welfare are unlikely to be solved without the direct participation of those who run the nation's largest airlines.

The Commission has designated a single day -- June 3 -- for receiving input from airline chief executives. On that day, those who run our country's major carriers will be asked to share the forum with all other domestic carriers -- no matter how small -- and with the chief executives of foreign airlines as well. Can you imagine a U.S. airline executive being invited to participate in a conference on internal airline problems in Japan, Germany or the U.K.?

- B. Although you and Vice President Gore have clearly enunciated your desire to remove restrictions that limit economic growth and job creation, there is no governmental sense of urgency to do so. As a consequence, we -- and our customers -- continue to be burdened by a host of inefficient and unnecessary regulations.
- C. During our lunch, we talked about the initiative recently launched by the Labor Department to restudy the nation's labor laws. Right or wrong, many of the nation's corporate leaders believe this study, and other actions by the Administration, are designed to increase labor union bargaining power, an action regarded as likely to be antithetical to improving productivity.
- D. During our lunch, I mentioned a company which has seriously considered moving out of the United States and which, absent one-time tax consequences, would probably have done so. That company's efforts to compete with its foreign rivals is crippled by U.S. prohibitions against doing business in Vietnam (prohibitions which serve no useful purpose whatever, since its competitors are there in force) by restrictions on doing business in the Middle East (which restrictions are not applicable to its foreign-based competitors), and by an effective tax rate three times as high as that of its foreign-based competitors. Under these circumstances, is it any wonder that the company in question employs 60,000 fewer people than it did a decade ago?

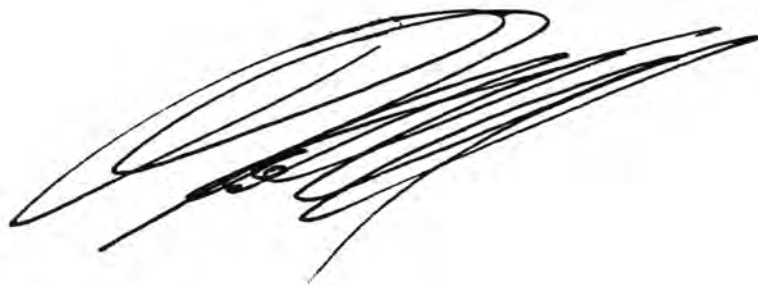
I'm certain the other participants in our Wednesday lunch, and the business community generally, can provide many more examples. The bottom line is this: the activities of the business community are very heavily influenced by the regulatory attitudes and actions of the Federal government. Today, our government's activities are not consistent with your announced objective of enhancing the strength of the U.S. economy and encouraging U.S. employment; to reach your goals -- our collective goals -- we need a well-thought-out, carefully articulated plan which will change the mind-set of government.

A final point: I think it does little good, and much harm, for governmental leaders to characterize the U.S. business community as inefficient, greedy, uncaring and otherwise unworthy. In fact, the U.S. corporate community is none of those things. However, if the public is taught to believe that successful corporations are antithetical rather than essential to achieving our collective objectives, it will be impossible for the private sector to provide the economic wherewithal to fund the social changes you seek to implement.

The core of our problem is the vision, attitude and approach of the Federal government. If those problems are to be addressed -- and they must be if we are to have a strong economy, more well-paid jobs and the ability to fund the social changes needed -- some very heavy political lifting will be required. To create a productive partnership between government and the private sector, the government must become actively supportive of efforts to revitalize our economy -- and that commitment must filter down to every Federal employee.

Thanks again for the opportunity to participate in your luncheon. All of us at AMR stand ready to help in any way we can.

Very truly yours,

A handwritten signature in black ink, appearing to be "Jimmy Carter", written in a cursive, flowing style.

chelon

THE WHITE HOUSE
WASHINGTON

DATE: 6/11

NOTE FOR: *Alexis*

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

Information

☒

Action

☐

Thank you.

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

cc:

THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS SEEN
6-11-93
33 JUN 10 P2:14

June 10, 1993

INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM: Alexis Herman
SUBJECT: Office of Public Liaison -- May Activity Report

Attached please find a calendar of the briefings and/or events that the Office of Public Liaison (OPL) organized in May and a breakdown of OPL-sponsored activities according to issue area. As you can see, our activities ranged from quarterly constituency meetings to targeted outreach in support of Presidential priorities.

cc: Mack McLarty
David Gergen
George Stephanopoulos
Roy Neel

Shaw
Neel

OFFICE OF PUBLIC LIAISON

MAY ACTIVITIES REPORT

Date	Group	Briefer(s)
I. Reconciliation Package Support		
11-May	National Small Business United and Society of Women Business Owners	NEC
11-May	Direct Marketing Association	NEC
13-May	National Tool and Machinery Association	Chris Jennings Ellen Seidman
13-May	Small Business Event	POTUS Erskine Bowles
18-May	CEO Press Conference	VPOTUS
19-May	CEO Lunch	POTUS
20-May	Miami Chamber of Commerce	Steve Hilton
21-May	The Dallas Assembly	VPOTUS
24-May	Airline Commission Hearing	POTUS
25-May	Drive American Quality Cars	POTUS

OFFICE OF PUBLIC LIAISON MAY ACTIVITIES REPORT

Date	Group	Briefer(s)
25-May	Int'l Bottled Water Association	Tom Kalil
25-May	Older Americans Month Proclamation Signing	POTUS
26-May	CEO Lunch	POTUS
27-May	Music Industry CEOs	Gloria Johnson VPOTUS drop by
27-May	U.S. First	POTUS

II. General Economic Policy Support

10-May	Briefing on Empowerment Zones	Andrew Cuomo Gene Sperling Bruce Reed
11-May	Leadership Conference on Civil Rights	POTUS
28-May	International Assn of African American Music	Gene Sperling Gloria Johnson Sheryll Cashin

OFFICE OF PUBLIC LIAISON MAY ACTIVITIES REPORT

Date	Group	Briefer(s)
III. Health Care Initiative		
3-May	California Medical Association	Health Task Force Member
4-May	American Society of Clinical Pathologists	Mike Lux
4-May	Religious Action Center	Mike Lux
5-May	American College of Physicians	Health Task Force Member Mike Lux
5-May	Nurses Week	Mike Lux
6-May	Single Payer Groups at Senator Wellstone's Office	HRC Mike Lux
7-May	Disability Groups	Ira Magaziner Mike Lux
10-May	Actor's Guild	Mike Lux
10-May	National Alcohol Tax Coalition	Mike Lux
10-May	National Council on Independent Living Reception	Mike Lux

OFFICE OF PUBLIC LIAISON

MAY ACTIVITIES REPORT

Date	Group	Briefer(s)
11-May	American College Physicians and American Academy of Family Physicians	HRC Mike Lux
12-May	Business Groups	Mike Lux
12-May	National Leadership Council on Health Care Reform	HRC Mike Lux
13-May	National Education Association	HRC Mike Lux
13-May	Interest Groups and Congressional Staff on the Hill	Mike Lux
14-May	American Osteopathic Association	Mike Lux
17-May	University of Ohio	Health Care Task Force Mike Lux
17-May	American Academy of Pediatrics	Mike Lux
17-May	National Industrial Council	Mike Lux

OFFICE OF PUBLIC LIAISON MAY ACTIVITIES REPORT

Date	Group	Briefer(s)
17-May	American Int'l Auto Dealers Association	Mike Lux
18-May	Citizens Action	Mike Lux
18-May	University of Michigan	Health Task Force Members
19-May	LULAC	Mike Lux
19-May	Labor Leaders	Stan Greenberg Mike Lux
20-May	Kansas City Chamber of Commerce	Mike Lux
20-May	National Health Policy Council	Mike Lux
20-May	IBM/TRW/ARCO	Mike Lux
24-May	American Jewish Congress	Mike Lux
24-May	American Society of Clinical Pathologists	Arnie Epstein
24-May	National Assn Of Social Workers	Mike Lux

OFFICE OF PUBLIC LIAISON

MAY ACTIVITIES REPORT

Date	Group	Briefer(s)
25-May	State Medical Association	Ira Magaziner Steve Gleason
25-May	Human Services Council of NY	Irwin Redliner
25-May	Families USA	HRC Mike Lux
26-May	SEIU	HRC Mike Lux
27-May	American Council of Life Insurance	Mike Lux
28-May	Arthritis Foundation	Robin Stone
28-May	Alabama Medical Association	Alexis Herman

OFFICE OF PUBLIC LIAISON MAY ACTIVITIES REPORT

Date	Group	Briefer(s)
IV. NAFTA Outreach		
26-May	Small Business Briefing	Mickey Kantor Ron Brown

OFFICE OF PUBLIC LIAISON

MAY ACTIVITIES REPORT

Date	Group	Briefer(s)
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V. Base Constituency Group Outreach

A. Asian American

3-May	Asian American Proclamation Signing	POTUS
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4-May	Department of Education/Asian Pacific Heritage Group	Doris Matsui
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7-May	Department of Justice Asian Month Speech	Doris Matsui
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17-May	Fannie Mae Speech on Asian Month	Doris Matsui
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B. Business Groups

10-May	Small Business Awards	POTUS Erskine Bowles
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11-May	Business Executives for National Security	NSC
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13-May	National Assn of Private Enterprise	POTUS photo-up
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OFFICE OF PUBLIC LIAISON MAY ACTIVITIES REPORT

Date	Group	Briefer(s)
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C. Ethnic Americans

3-May	Portuguese American Leadership	NSC
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D. Hispanic/Latino American

5-May	Cinco de Mayo	POTUS
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20-May	Cuban American Day	POTUS
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E. Jewish American

5-May	Anti-Defamation League	NEC
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F. Law Enforcement Groups

13-May	Candlelight Vigil	POTUS
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19-May	Federal Judges Association	POTUS
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OFFICE OF PUBLIC LIAISON MAY ACTIVITIES REPORT

Date	Group	Briefer(s)
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G. Seniors

25-May	Older Americans Month Proclamation Signing	POTUS
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H. Student/Education Groups

17-May	University of Akron Students	Mike Lux
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21-May	Blue Ribbon Schools	POTUS
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24-May	The Lesley College Commencement Speech	Alexis Herman
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I. ALSO

5-May	Democratic National Committee and Democratic Senatorial Campaign Committee Finance Council	Gene Sperling
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20-May	Motor Voter Bill Signing	POTUS
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May 1993

PUBLIC LIAISON

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
						1
2	3 9:45-10:45am California Medical Assn. (Doris) Roosevelt Room 3:00-4:00pm Portuguese-American Leadership (Marilyn) 180 5:30-6:30pm Asian-Pacific Month Proc. Sign. (BC) Doris East Rm	4 10:00-11:00am Health Care/Nutrition Group (Mike) 476 11:00am-12:00pm Dept. of Ed. Asian Pacific Heritage Month (Doris) 1:30pm Health Care/Religious Groups (Mike) 180	5 California Medical Association (Doris) 10:00am DNC Finance Council (Amy) 450 11:00am-12:00pm L.A. Chamber of Commerce (Doris) 474	6	7 2:00-3:00pm Dept. of Just. Asian Pacific Month (Doris)	8
9 SMALL BUSINESS WEEK	10 10:30am Speech to Small Business Award Winners (AGJ) (Amy) 2:00-3:00pm Health Care/Actors Guild (Mike) Roosevelt Room 3:00pm Briefing on Enterprise Zones (Amy) 450	11 Leadership Conf on Civil Rights Recp (BC) (AMH) 1:00-2:00pm NSBU & NAWBO (Amy) 450 2:30pm Direct Marketing Association (Amy) 450	12 11:00am SBA Award (BC) (Amy) Rosa Garden	13 9:30am National Tooling & Machining Assn (Amy) 474 1:00pm Small Business Event (BC) (Amy) East Room 8:00pm Nat'l Law Enf. Off. Candlelight Vigil (BC) (Steve)	14	15
16	17 10:30am American Academy of Pediatrics (Mike) 2:00pm Amer Int's Auto Dealers Assn (Amy) 450 4:00pm Speech to Fannie Mae on Asian Month (Doris)	18 CEO Press Conference with the Vice President (Amy) 4:00pm Citizen Action (Mike)	19 11:00am LULAC (Mike) 12:00pm CEO Luncheon with the President (Amy) 12:00pm Lunch with CEO's (BC) (Amy) Family Dining Room 2:30pm Houston Business Leaders (Amy)	20 10:00am Kansas City Chamber of Commerce (Mike) 11:00am Motor Voter Bill Signing (Doris) South Lawn 2:00pm IBM/TRW/ARCO Health Care (Mike)	21 4:00pm The Dallas Assembly (AGJ)	22
23	24 10:15am Airline Commission Hearing (BC) (Amy) 11:00am Small Business Event on Micro Loans Rose Garden 2:00pm Commencement Speech at Lesley College (AMH)	25 12:00pm Drive American Quality Cars (Amy) Capitol Hill 2:00pm Int'l Bottled Water Assn (Doris) Ind Treaty Rm 5:00pm Older Americans Month Proc. Signing (BC) (Mike)	26 9:00am Small Business NAFTA Briefing (Doris) 450 12:00pm CEO Lunch (AMH/Amy)	27 2:00pm Music Industry CEO's (FLO) Roosevelt Room	28 Alabama Medical Association (AMH) Mobile, AL 12:00pm Int'l Assn African American Music (Flo) Roos. Rm. 12:30pm Good Earth Council	29
30	31					

PUBLIC LIAISON

May 1993

- 5 11:15am Anti-Defamation League (Amy)
472
- 1:00-3:00pm Army War College (Steve)
476
- 3:45pm Briefing for Nurse Groups
(Mike) 450
- 10:15pm Latino, USA (BC) (SAV)
- 11 4:00pm Business Executives for Nat'l
Security (AMY) 474
- 19 4:00pm American Council of Life
Insurance (Mike)
- 4:00pm Federal Judges Association
(BC) East Room
- 20 5:00pm Cuban American Day (BC) (SAV)
East Garden
- 24 3:00pm American Jewish Congress/Health
Care (Mike)
- 25 6:00pm Briefing on Economic Plan for
Seniors 450

Chen

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2101 CONSTITUTION AVE., N.W. WASHINGTON, D.C. 20418

TELEPHONE: (202) 334-2605 FAX: (202) 334-2791

DATE: 6/11/93NUMBER OF PAGES INCLUDING COVER: 4TO: The Honorable John D. PodestaFAX NUMBER: 202/456-2883

PHONE NUMBER: _____

FROM: Dr. William A. WulfNAME OF SENDER: Jed CoffinVERIFICATION: (202) 334-2605

NOTES:

Original to follow via USPS.

To: George
Mike Nelson
Your cc'd but I
wanted to make sure
you saw. How do
you want to proceed?
I'll call Wulf, if
that's reasonable

COMPUTER SCIENCE AND TELECOMMUNICATIONS BOARD

NATIONAL RESEARCH COUNCIL

2101 Constitution Avenue, N.W., Washington, D.C. 20418

PHONE (202) 334-2605

FAX (202) 334-2791

BITNET:

MBLUMENT@NAS

OFFICE LOCATION:

MILTON HARRIS BLDG, RM. 560

2001 WISCONSIN AVENUE, NW

(OFF WHITEHALL STREET)

June 11, 1993

The Honorable John D. Podesta
Assistant to the President and Staff Secretary
Ground Floor, West Wing
The White House
Washington, DC 20500

Dear Mr. Podesta:

I am writing on behalf of the Computer Science and Telecommunications Board of the National Research Council to underscore the importance of carefully and thoroughly reviewing the "Clipper Chip" telecommunications security device, its encryption technology, and the key escrow procedures that were announced on April 16, 1993. The Board applauds the recent decision to devote more time to such a review, and urges you to use that time to deepen and broaden the analysis of relevant issues because of the profound implications of the Clipper Chip approach to telecommunications security.

The charter of the Computer Science and Telecommunications Board includes the mandate to study critical issues in computer and communications policy. In that capacity, on May 24, 1993 the Board received an unclassified briefing from Ray Kammer, Acting Director of the National Institute of Standards and Technology, on the Clipper Chip and related matters. Individual Board members had previously received other briefings, conferred with relevant officials, or discussed associated issues with a variety of subject-matter experts.

The Kammer briefing raised several concerns, among them the rapidity of the government's review of associated technical, business, and policy issues (and the fact that the review is taking place after the announcement of a commitment to the Clipper Chip program); the absence of relevant economic data and of detailed analysis of costs and benefits; the viability of the proposed key management scheme whose users may number in the millions; the presumption that approaches that have been proven in the high-cost/low-volume national security environment would transfer easily to the low-cost/high-volume consumer environment; the *ex ante* recognition that the Clipper Chip scheme can be defeated in a variety of ways; disturbing prospects (such as stronger regulation of encryption) if the Clipper Chip either fails or gets derailed; and the many uncertainties relating to the positioning of compliant products in a competitive global marketplace.

In concluding the briefing, Dr. Kammer suggested that the Board could provide assistance by (1) assessing the appropriate balance between protection of personal privacy and society's desire to protect itself from law-breakers, and (2) assessing the economic significance of any kind of confidentiality feature. These are certainly among the topics that the Board would be willing and able to address.

The Board has examined issues relating to system security in the past. Most notably, its 1990 report, *Computers at Risk: Safe Computing in the Information Age*, addressed a number of relevant issues: the increased promotion of system security in other developed countries; the similarities and differences between commercial and national security needs for system security; the pros and cons of shrouding security technology in secrecy; the relation between security and associated concepts, including privacy and safety; the factors that have constrained the development of the market for security technology; the ramifications of export controls for the development of security technologies and markets; and the need for independent review of new, government-developed algorithms intended for commercial use. Reflecting on government efforts to nurture secure systems, the report commented on the policy context for system security in a way that continues to ring true:

Overall, the government's efforts have been hamstrung by internecine conflict and underfunding of efforts aimed at civilian environments . . . [suggesting] a weak U.S. posture in this area. A weak posture is especially troubling today, because of the momentum that is building overseas for a new set of criteria and associated system evaluation schemes and standards. Influencing what can be sold or may be required in overseas markets, these developments and the U.S. response will affect the competitiveness of U.S. vendors and the options available to users of commercial computer systems world-wide. They will also affect the levels of general safety and security experienced by the public. (pages 3 and 4)

As the above passage notes, whatever the United States does in promoting or directing the use of commercial security technology must be evaluated in the context of an international market and international policy.

The Board's 1988 report *Global Trends in Computer Technology and Their Impact on Export Control* raised questions about the need for and impact of controls on the export of network and encryption technology, calling for further study. Other Board reports, including *Growing Vulnerability of the Public Switched Networks: Implications for National Security Emergency Preparedness* (BOTCAP; 1989) and *Toward a National Research Network* (1988), underscored the need for reliable, trustworthy technology for data and voice communications.

Based on discussions during and after the Kammer briefing, a review of available public information on the Clipper Chip, and work done previously by the Board on system security, the Board unanimously agrees that:

- The implications of this technology are profound, ranging from negative impacts on personal privacy to the ability of U.S. industries that produce and depend on information technology to compete in the global information market. Potentially premature decisions about the use of specific encryption technologies will have substantial market impacts, affecting both the course of related technology development and related policy options.
- There are too many unanswered questions, incomplete or undecided policies, and open issues for the National Security Council, the National Institute of Standards and Technology, and/or the National Security Agency to make reasoned decisions about technology selection, associated procedures, or procurement for systems used by the federal government at this time.
- The original review period (launched in the spring and expected to end in late summer) was too

short, and the review process (coordinated by the NSC, with additional inputs from NIST and OSTP) may still be too limited to fully explore the implications of the Clipper Chip decisions.

In view of the scope and scale of the potential impacts of the government's proposals, an extended review of cryptography policy involving broader participation is essential. You have taken the first step by relaxing some of the time pressure on the ongoing review. I hope you will look upon the Board as a resource for the kind of independent analysis and involvement of a cross-section of concerned communities that major cryptography policy decisions require.

Sincerely,



William A. Wulf
Chairman, CSTB

cc: A. Lake
A. Prabhakar
J. McConnell
R. Rubin
J. Gibbons
G. Tenet
R. Kammer
M. Nelson
W. Sessions

Chron

THE WHITE HOUSE
WASHINGTON

DATE: 6-11-93

TO: MACK MCLARTY
DAVID GERGEN
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

June 11, 1993

MEMORANDUM FOR THE PRESIDENT

FROM: LAURA TYSON

RE: Interest Rates, Stock Market, and Money Supply
Week ending Friday, June 11, 1993

Bond yields declined significantly this week, presumably because of the lower-than-expected increase in the Producer Price Index. Changes in Treasury borrowing rates over the week were as follows:

	Close 6/4/93	Close 6/11/93	Change
3-month bills	3.18	3.12	-0.06
10-year bonds	6.11	5.97	-0.14
30-year bonds	6.91	6.80	-0.11

The stock market closed lower for the week. The S&P index closed Friday (June 11) at 447.26, down 0.6 percent from the preceding Friday's close. The Dow Jones Industrial Average decreased 1.1 percent over the week closing at 3505.01.

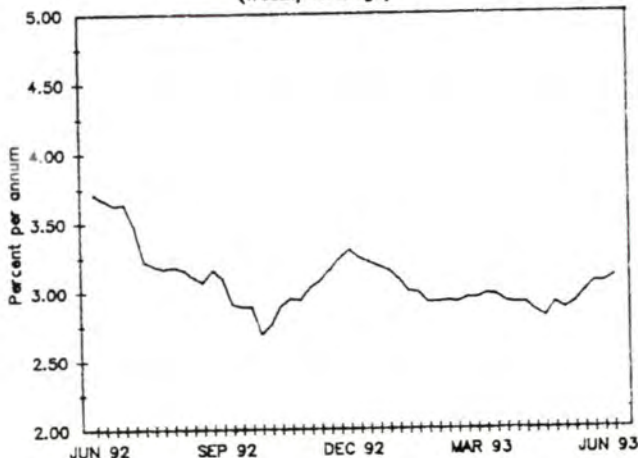
This week the Fed announced that M1 and M2 both increased, while M3 declined for the week ending May 31. Since May of last year, growth rates of the various M's have been:

M1: +12.1%

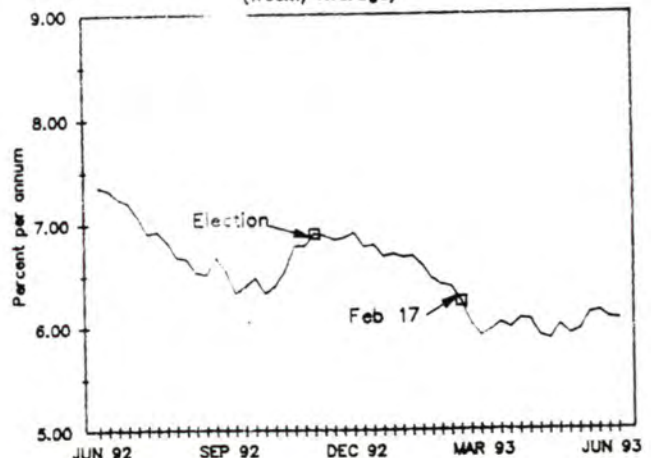
M2: +1.1%

M3: -0.3%

3-Month Treasury Bill Rate
(Weekly Average)



10-Year Treasury Note Yield
(Weekly Average)





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

THE CHAIRMAN

June 11, 1993

MEMORANDUM FOR THE PRESIDENT

FROM: LAURA TYSON

SUBJECT: Foreign Economic Developments

Exchange Rates: The yen strengthened relative to both the dollar and the deutschemark this week. The multilateral exchange rate was fairly steady.

	Week Ending 5/14/93	Week Ending 5/21/93	Percent Change
Deutschemark	\$1 = 1.625 DM	\$1 = 1.629 DM	+0.2%
Yen	\$1 = 107.8 Yen	\$1 = 106.1 Yen	-1.6%
Multilateral (March 1973 = 100)	90.83	90.57	-0.3%

Japan: ▶ The value of government funded construction starts rose by 10.4 percent in April on a year-over-year basis.

Europe: ▶ France dropped its opposition to the U.S.-E.C. oilseeds agreement reached last November, allowing its approval by the E.C. foreign ministers.

▶ West German retail sales fell 2 percent in real terms in April on a year-over-year basis.

▶ UK's index of leading indicators fell 0.4 percent in April after increasing for seven consecutive months. The coincident index rose 1.1 percent during April. The trade deficit deteriorated to £4.5 billion (\$6.65 billion) from £4.35 billion (\$6.87 billion) in the fourth quarter of 1992. Exports increased £1.95 billion (7 percent), while imports rose £2.1 billion (6.6 percent).

▶ French consumer prices rose a preliminary 2.1 percent in May on a year-over-year basis.

Other Countries: ▶ Canada's index of leading indicators rose 0.5 percent in May after a 1.3 percent increase in April. Housing starts fell 13.8 percent in May following a 15.1 percent rise in April.

▶ China's Industrial production increased 27.3 percent in May on a year-over-year basis.

June 11, 1993

MEMORANDUM FOR BERNIE NUSSBAUM

FROM: RON KLAIN

SUBJECT: AREAS OF DISCUSSION FOR THE PRESIDENT

Here are the areas that I would encourage the President to cover -- or to avoid -- in his discussion with Judge Breyer.

Questions for Judge Breyer

I think the President can put the following questions to Judge Breyer, and expect these answers:

- What guides your overall constitutional philosophy? Breyer will likely speak of "human dignity" and a need to take a non-literal view of the Constitution's phrases.
- How do you define the scope of liberty in the Constitution? Breyer will talk about the need to balance the text's language with an expansive view of liberty.
- Why have you devoted your career to the dry subject of economic regulation? Breyer will discuss how these regulatory issues touch people's lives.
- Some say that your writings suggest an over-emphasis on economics: putting a cost on lives, for example. Breyer will talk about the limits of economic analysis, and the need to make hard choices among safety options.
- How does he respond to the criticism that his opinions are "bloodless"? Breyer will discuss his admiration for John Minor Wisdom, who had a similar writing style.
- How do you deal with your Republican colleagues on the bench? Breyer will talk about how he goes about persuading them to join him in cases.
- You are the architect of the Sentencing Guidelines. How do you defend them from criticism? Breyer will speak of how he "did good" by fighting "worse" versions of the Guidelines.
- What are the most significant Supreme Court decisions in your lifetime? Breyer will cite a variety of cases involving civil rights and personal liberties.
- Who are the great Justices in history? Breyer will cite a variety of Justices, past and present.

Areas Not to be Raised

I would discourage the President from questioning Judge Breyer on specific legal issues or specific cases. These would obviously include questions like:

- What is your view on the constitutionality of the death penalty?
- Do you agree with Bakke v. Regents of California, or Roe v. Wade?
- What test would you use to determine when an Establishment Clause violation has occurred?
- How do you define the "right to privacy?"
- When can race-conscious remedies be used under the civil rights laws?

While we can debate whether these questions are proper or not, they would indisputably be controversial, and I think, imprudent.

THE PRESIDENT HAS SEEN 6/11

Kearney

Chron

~~THE PRESIDENT HAS SEEN~~
THE WHITE HOUSE
WASHINGTON

DATE: 6/10

NOTE FOR: MAC K

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:

DEPARTMENT OF STATE

5/26

THE SECRETARY

Mr President

This is the
man mentioned
by Strobe.

Chris

Mail:

There is the
Guy Strobe & I think Berger
recommended we look at
for Press Briefing

6/10/93

Thomas B. Ross
Senior Vice President and Director
of Media Relations Worldwide
Hill and Knowlton

Thomas B. Ross has 35 years of experience as a journalist, author, government official and corporate public relations executive.

He began his journalistic career in 1955 and worked for the International News Service and United Press International before joining the Chicago Sun-Times in 1958. He was national security affairs reporter in the Washington bureau from 1958 to 1968, a foreign correspondent in Europe and the Middle East from 1968 to 1970, and Washington bureau chief from 1970 to 1977.

Mr. Ross served as Assistant Secretary of Defense for Public Affairs in the Carter Administration. After his government service, he was Director of Communications of the Celanese Corporation, Senior Vice President for Corporate Affairs at RCA, and Senior Vice President of NBC News. He joined Hill and Knowlton in February of 1990.

Mr. Ross is the co-author of three books on intelligence, The U-2 Affair, The Invisible Government, the number one national bestseller, and The Espionage Establishment.

He was twice winner of the Marshall Field Award for Outstanding Reporting, and he holds the Defense Distinguished Public Service Medal.

Mr. Ross is a graduate of Yale and was a Nieman Fellow at Harvard. He served as a naval officer on an aircraft carrier in the Pacific during the Korean War.

Mr. Ross is a member of the Council on Foreign Relations, the Century Club of New York and the Gridiron Club of Washington. He is listed in Who's Who in America and Who's Who in the World.

He is married to Gunilla Ekstrand, a Swedish-born painter. They have three daughters.

#



we.

Moeller
FyH- B

President Clinton



Chen



THE WHITE HOUSE

THE PRESIDENT HAS SEEN

6/11/103



~~Mr. PRESIDENT~~

Jim was at Oxford with us.
He is a big supporter.

cc: Gergen

L



The Times-Picayune

3800 HOWARD AVE.
NEW ORLEANS, LA 70140

JIM AMOSS
EDITOR

TELEPHONE
(504) 826-3475

April 16, 1993

Mr. Ira Magaziner
216 Old Executive Office Building
Washington D.C. 20500

Dear Ira,

It was a big treat for Nancy and me to see you in Washington. Thanks for taking the time, which I know is precious.

Bill Clinton made a terrific impression later in the week, when he spoke to the assembled editors in Annapolis. He seemed confident, energetic, responsive. Even the I-didn't-vote-for-hims were murmuring grudging admiration. At lunch with Bennett Johnston, I mentioned your name, and he seemed to light up. He also appeared quite favorably disposed to health care reform and talked about the need "to be bold, even experimental." Most un-Johnstonlike. I hope the crucial coming weeks go well for you all and that we'll have a chance to visit you and meet your family under less pressured circumstances.

Yours,

I thought the President might like the enclosed cartoon original from our paper, if you get a chance to pass it along to him.

OUR OPINIONS | Editorials

WIT HANDELSMAN 2005 THE TIMES - PICAUVINE



"... FINALLY - AFTER 12 YEARS... VISION!..."

Upgrading city's housing

improved building increases the value of surrounding properties, encouraging lenders to addi-

lighted buildings and up-

PRESIDENT CLINTON - HERE'S A RARE EXAMPLE OF KINDNESS IN AN OTHERWISE
NASTY JOB —
WAT HANDELSMAN
GROSS THE TIMES - PRAGMATIC / THIS
WAT



"... FINALLY—AFTER 12 YEARS... VISION!.."

Dole issues warning to Nevada

□ Visiting Las Vegas, the outspoken senator says the president's tax plan would hit the state hard.

By Jane Ann Morrison
Review-Journal

Senate Minority Leader Bob Dole said Friday that Nevada's two senators are among a pool of 10 Democrats he hopes he can persuade to kill President Clinton's tax package, because he thinks the proposals would hit Nevada hard.

"Nevada is hit about the hardest of any state in the country," the Republican from Kansas said at a Las Vegas news conference. Social Security tax increases and lower deductions for entertainment and business expenses will be a blow to the state, he said.

"Dole is saying that in every state he goes to," said Sen. Harry Reid, D-Nev., in a telephone interview from Poland. "Nevada is not going to be hit harder than any other state. Every state is going to feel the pinch."

Reid and Sen. Richard Bryan, D-Nev., said unless Clinton offers more cuts and less taxes, they will not support the economic package that passed the House last week.

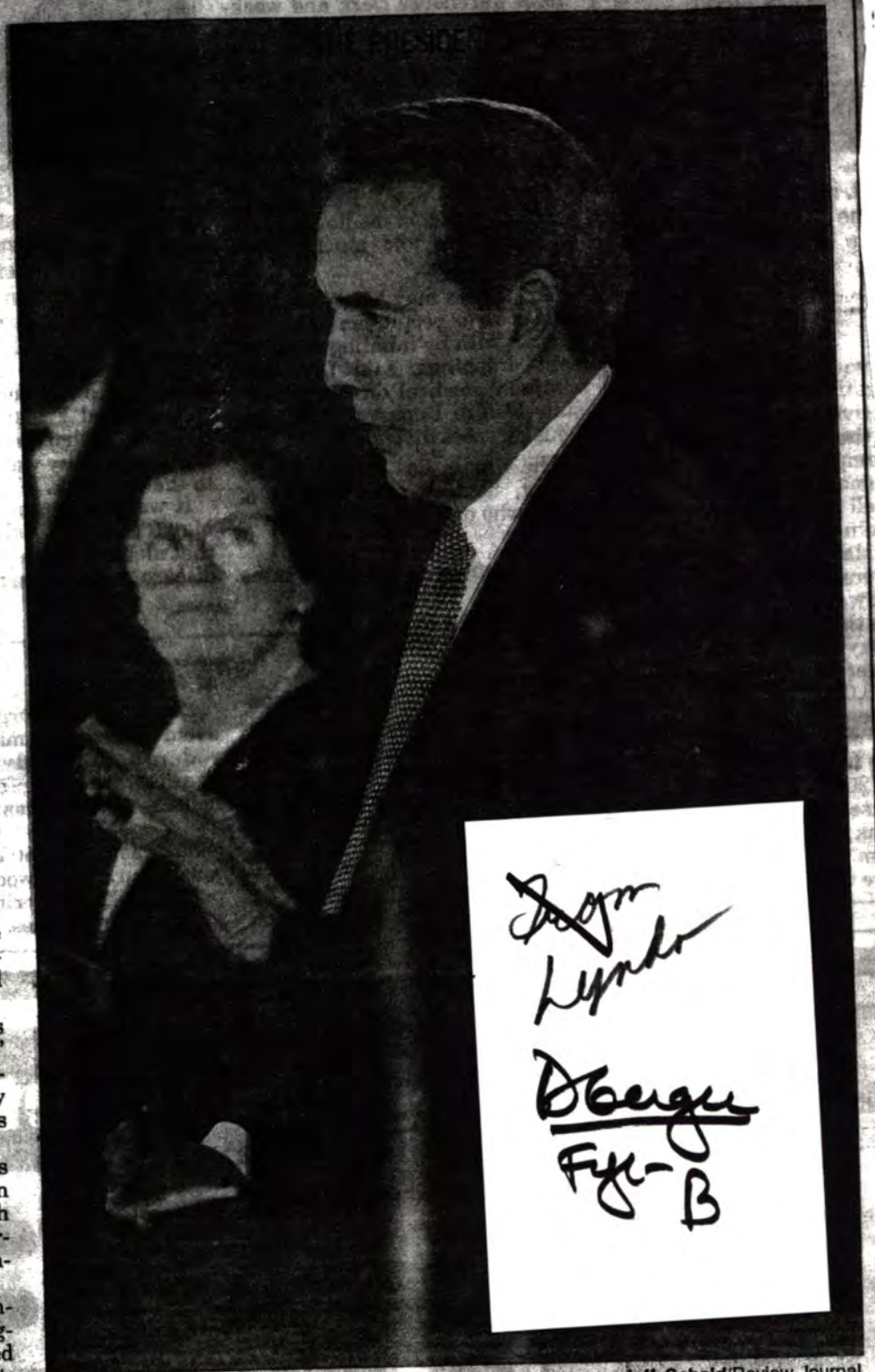
"If the package came to us as it is right now, I would vote against it," said Bryan, who has the same concerns about higher Social Security taxes and entertainment deductions that Dole expressed.

Dole raised about \$40,000 for his political action committee Campaign America at a Caesars Palace lunch attended by 48 people, said Hal Furman, who was as Dole's side throughout the visit.

Furman, 38, a water resource consultant and a potential GOP challenger to Bryan in 1994, said Dole stated that some of that money will be donated back to Nevada for the U.S. Senate race.

Dole said the energy tax based on British thermal units might not affect

Please see DOLE/3A



Jeff Scheld/Review-Journal

U.S. Rep. Barbara Vucanovich, R-Nev., joins Senate Minority Leader Bob Dole, R-Kan., during his stop Friday in Las Vegas for a fund-raiser. Dole said at a news conference that President Clinton's economic package can pass if the president makes "a bipartisan effort to cut spending first."

Tens charged in deaths of three boys

Dole

From 1A

Nevada as much as some other elements of Clinton's tax package, but it remains a significant issue.

"We don't think it ought to be replaced with a gas tax. That might be even worse for Nevada. We think it ought to be eliminated," Dole said.

A study by the Tax Foundation calculated that the energy tax would mean a loss of 3,303 jobs in Nevada and 5,319 jobs in Dole's home state.

But Reid supports the energy tax.

"It has some merit. It punishes dirty fuel, like high sulfur coal. Under the Btu tax, there would be a reason not to use it," he said. "The notion of punishing pollution is good."

Reid, in the middle of a week-long congressional fact-finding trip, spoke from Warsaw, Poland. He also spent three days in Armenia and Azerbaijan, where he said he was unable to bathe, drink the water or milk, or eat the vegetables.

"It's been an interesting, unusual trip," he said. "What these people have been through is unbelievable."

Bryan said he is uncomfortable changing the Btu tax to a gas tax and that "for Nevada, the Btu is preferable to whatever it would take (to raise the same amount of money) in straight gas tax."

After speaking to a group of

Vucanovich confident of win

Review-Journal

Rep. Barbara Vucanovich expressed confidence Friday that she would win a Republican primary battle with Lt. Gov. Sue Wagner.

Wagner, 53, is considering running for Vucanovich's congressional seat, regardless of whether Vucanovich, 71, seeks re-election.

"I plan to run again," said Vucanovich, who was first elected in 1982. "I don't think in a primary she would have a chance. In a general election, she might be able to beat me."

Vucanovich said in a general election, where both Democrats and Republicans vote, Wagner would draw more Democratic support because she is less conservative than the incumbent.

"I have no idea what could happen in a primary until election day," Wagner said. "But the election results of last time were probably closer than Barbara would have expected."

Vucanovich won re-election last year with 48 percent of the vote, which was down from her previous races, when she has captured as much as 71 percent of the vote.

seniors in Summerlin, Bryan said the only aspect of Clinton's bill that strikes him as particularly negative to Nevada would be lowering the business entertainment deduction from 80 percent to 50 percent because of Nevada's convention business.

He agreed that he could be among the pivotal votes for Clinton, because the Senate now has 57 Democrats and 43 Republicans.

If Clinton seeks Bryan's support, "there would be some things I would want to talk to the presi-

dent about that would be of interest to Nevada," the state's junior senator said.

"I don't want to give you the impression there would be some sort of quid pro quo," he said. His vote will hinge on spending cuts and the fairness of the tax burden on Nevadans.

Dole hopes the Senate race in Texas today will add one more seat to his side if the GOP candidate wins. If Texas state Treasurer Kay Bailey Hutchison, a Republican, defeats interim Sen. Bob Krueger, a Democrat, that

will put some pressure on Senate Democrats to moderate their positions, Dole said.

The office of Rep. James Billbray, D-Nev., has received about 100 calls protesting his vote for Clinton's package, while the office of Rep. Barbara Vucanovich, R-Nev., has received about the same number praising her for voting against it, their staffs said.

Dole arrived in Las Vegas aboard a Federal Express plane the day after appearing on the "Tonight Show," and repeated some of the quips he used successfully on the program.

Asked about presidential aspirations in 1996, Dole, 69, said, "I stopped to see President Reagan yesterday to see if he thought I was too young."

Then he added seriously that he would keep his options open and see what happens in the next few years.

Dole explained his appearance on Jay Leno's "Tonight Show" by saying, "He's got to be bipartisan. He's been after Clinton. He said he's got to have somebody on our side to pick on. It seemed like I'm a likely prospect — a short name and high on the alphabet."

Pronunciation guide

A guide to the pronunciation of people, places and things in the news:

Dobrica Cosic....daw-BREE-TSAH CHAW-sich

Malice Green....MAL-ihs

Lani Guinier....LAH-nee gwih-NEER

Alija Izetbegovic....AHL-ee-yuh ee-zeh-tee-bee-GOH-vir

Radovan Karadzic....RAH-doh-van KAR-ah-dzee

★★★★★★★★★★
★ Getting Along — ★
★ Going Strong! ★
★ Sakes Alive — ★
He's 85!

THE WHITE HOUSE
WASHINGTON

June 10, 1993

MEMORANDUM FOR DEE DEE MYERS

THRU: JOHN PODESTA
FROM: MARSHA SCOTT *J.N. for*
SUBJECT: INDEPENDENCE DAY, 1993

Attached is the Independence Day, 1993 message that you may wish to release to the media.

✓ cc: Ron Geisler

THE WHITE HOUSE
WASHINGTON
INDEPENDENCE DAY, 1993

On Independence Day, we celebrate the birth of the first and greatest democracy of the modern era. The ideals embodied by the Declaration of Independence have served as a guide for our nation and as an inspiration for people around the world. This document delineated the very idea of America, that individual rights are derived not from the generosity of the government, but from the hand of the Almighty. The Founders forever abandoned their allegiance to the old European notions of caste and instead dedicated themselves to the belief that all people are created equal.

The brilliant men who gathered in Philadelphia 218 years ago to declare our nation's independence risked their honor, their fortunes, and their very lives to create a better future for their children and grandchildren. As the inheritors of freedom's legacy, we owe our liberties to the fact that our Founders saw the need for dramatic change and acted upon it.

Today, vast changes are sweeping the globe. Nations that have known only tyranny for centuries are suddenly dedicating themselves to the ideals of freedom and democracy. And wherever freedom is proclaimed, echoes of the American Declaration of Independence can be heard. Thomas Jefferson's words are being spoken in dozens of nations in hundreds of languages.

We are justly proud of the influence that our beliefs have had on the world. But the mission of America is far from complete. While the world is filled with opportunity, it is rife with uncertainty. We must dedicate ourselves to carrying on the dreams of the Founders and adding our own chapter to the unfinished American autobiography. By embracing the changes that are altering the landscape of the world today, we help ensure a brighter, more democratic, and more peaceful world. On this Independence Day, I encourage all Americans to rededicate themselves to the conviction that our heroic journey must go forever upward.

Best wishes to everyone for a wonderful day.

Bill Clinton

PHOTOCOPY
WJC HANDWRITING

chron

6-943

JDPodesta

for appropriate
distribution. JMC

DATE: 6/11

TO: David Dreyer / Jonathan Prinz

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

Will you call this
guy + say we've
received + that
it will be considered.
I don't have a view on
the merits. JDP



AWARD WINNING FILMS

P.O. BOX 3754
ARCADIA, CALIF. 91007
(818) 447-5574
Fax: (818) 445-5902

Spring, April 12, 1993

✓ JP 4/14

Mrs. Betty Currie
THE WHITE HOUSE
The Presidential Office
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear Mrs. Currie:

As per our telephone conversation, I am enclosing **another** copy of the package, I previously sent to President Clinton.

As I mentioned to you on the telephone, I mailed the first package to the President on February 10, 1993. Six weeks later when I called to inquire about the status of the package, I had a very difficult time trying to trace it! Marsha Scott's staff did not have any idea where it was. The mailroom staff informed me that they had no way of locating it! The Agency Liaison's Office told me it was probably floating somewhere in the building!

I realize that the President receives an extremely large volume of mail each day! I also understand that you are under-staffed and don't have the personnel to handle such a large volume. After I discussed it with you on the telephone, I realized that the best way to take care of the problem, was to send you (personally) a second copy of the package!

Would you please do me a very personal favor and take ten (10) minutes of your time to read the letter enclosed in the package to the President? Or, would you please hand the letter to the President personally, and have him take a few minutes to read the letter?

I sincerely hope that after you read the letter that you will agree with me, that this is a very worthwhile project, that will bring a lot of joy to literally hundreds of thousands of children from all walks of life!

TWO "EMMY AWARD" NOMINATIONS

MOTION PICTURES • TELEVISION SPECIALS • FEATURE FILMS
VIDEO TAPE PRODUCTIONS • COMMERCIALS • DOCUMENTARY FILMS

Mrs. Betty Currie

-2-

April 12, 1993

Should the President decide to support this project, I would need to go into production almost **immediately**. I have already lost two months waiting for a response from my first inquiry! I am sure that you realize that a production such as this requires a great deal of preparation, and I need all the lead time I can possibly have to work out the myriad of details!

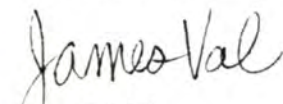
I realize that the President keeps a very, very busy schedule! But won't you please, please help me in this matter? I will be eternally grateful to you! ALL I am asking for is an opportunity for the President to personally look at my proposal, and for a personal response from him. I sincerely hope that I am not placing you in an awkward situation, and that I am not asking for too much!

I will be calling you in a few days to make sure you received the package! I want to thank you in advance for any help you can give me in this matter. I pray for the President, for you, and his staff daily, always asking the good Lord to guide you to make the right decisions in the difficult days that lie ahead!

Thank you.

Sincerely,

VAL PRODUCTIONS



James Val
Producer

JV:dk

Enclosures



AWARD WINNING FILMS

P.O. BOX 3754
ARCADIA, CALIF. 91007
(818) 447-5574
Fax: (818) 445-5902

Winter, 2/9/93

President Bill Clinton
THE WHITE HOUSE
1600 Pennsylvania Avenue N. W.
Washington, D. C. 20500

Dear President Clinton:

May I join the millions of excited Americans in expressing my warmest **CONGRATULATIONS** on your stunning victory!

In 1923, an exciting American tradition was started by President Calvin Coolidge. Early one Christmas morning, he walked out of the presidential office to the South lawn of the White House, to light a Christmas Tree from his native state of Vermont.

The lighting of the **NATIONAL TREE OF PEACE**, was to become an annual event as a living expression of peace on earth, and as an American tradition of good will and brotherhood toward all nations of the world!

This custom was continued during the administrations of Presidents Herbert Hoover, Franklin D. Roosevelt, Harry S. Truman, Dwight D. Eisenhower, John F. Kennedy, and Lyndon B. Johnson. In recent years, this very meaningful symbol of "Peace on Earth and Good Will Toward Men" has been experiencing a gradual decline, both in interest, and support, by recent administrations! Somehow this annual event has lost its true meaning, and has not been given the proper exposure of years past.

As a small boy living in the rural countryside of Texas, I used to look forward to hearing the Presidential address to the nation on Christmas Eve on the radio! Exciting visions of multi-colored, twinkling lights and shiny ornaments filled my imagination! I was instantly transported by my mind's eye to the White House grounds, and I fantasized that I was standing there next to the President, as he pulled the lever to light the **CHRISTMAS TREE OF PEACE!** To many of us children who were too poor to buy and decorate our own tree, this festive, happy occasion became our very own special way to celebrate the Christmas Season!

TWO "EMMY AWARD" NOMINATIONS

MOTION PICTURES • TELEVISION SPECIALS • FEATURE FILMS
VIDEO TAPE PRODUCTIONS • COMMERCIALS • DOCUMENTARY FILMS

President Bill Clinton
Winter, 2/9/93
Page Two

The American people are looking up to you as the **PEOPLE'S PRESIDENT!** One that has expressed a genuine love for people and as a President that sincerely wants to help them achieve their goals. They are placing their dreams and trust in your hands, with the hope that you will provide them with the leadership to make America a better place for all of us.

By writing this lengthy letter to you, I am also expressing my hope that you will be the President that will restore the loving American tradition of the **CHRISTMAS TREE OF PEACE**, to its rightful place in the hearts of all Americans from all walks of life! Also, I am writing to you hoping that you will take a few minutes to consider the following thoughts:

I have always wanted to produce an Educational/documentary film of the story behind the **NATIONAL TREE OF PEACE!** An in-depth, innovative, award-winning film on the history of this most meaningful symbol of peace would make an exciting, and very moving film. I feel very strongly that we have all the elements in this story that we need, to produce a creative motion-picture, that you and I would be very proud of!

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In order to accomplish these goals, I would need your consideration in the following areas:

(1). **YOUR PARTICIPATION**

I would need your personal participation in order to make this dream a reality, and your willingness to restore the **NATIONAL TREE OF PEACE** tradition to its former glory! Also, your personal participation and your involvement in the lighting of the christmas tree ceremonies, during the Christmas Season!

(2). **YOUR APPROVAL**

I would need your personal approval to do this project; giving me permission to produce this story on film, and to publish the children's book version. Also, to help me acquire the needed clearance and permits, that will be needed to accomplish the same.

Continued....

President Bill Clinton
Winter, 2/9/93
Page Three

(3). **AN INVITATION**

I would also like to extend a personal invitation to have you appear on camera, (and on the cover of the children's book) at the opening of this film. This personal introduction from you, would serve as a visible expression of this nation's aspirations and desires, to foster a better understanding and friendship between the nations of the world and the American people! What better way for the **PEOPLE'S PRESIDENT** to share his personal **CHRISTMAS GREETINGS** to all the children of the world, and their families!

I want you to know that I am readily available to help you in any way that I can, to accomplish the restoration and the renewal of this most-needed American tradition. I would be very happy to serve on the **PAGEANT OF PEACE, HONORARY COMMITTEE**, or in any other capacity to accomplish this goal!

I am well aware of your very busy schedule, and I am also cognizant of the fact that you have many matters of more importance that require your utmost attention! But, I am sincerely hoping that you will take a few minutes to consider the proposal that I have outlined for you!

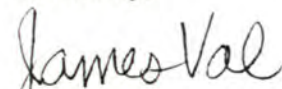
I want to thank you for taking the time to read this lengthy letter, and for your consideration!

I pray for you daily, asking God to strengthen you, and to guide you, in the difficult days ahead.

If I can be of assistance, please don't hesitate to contact me.

Thank you.

Sincerely,



James Val, Producer
VAL PRODUCTIONS

JV/ns

P. S. I am enclosing a copy of one of my children's books, to give you an idea of the quality of books that I produce. **PLEASE ACKNOWLEDGE HAVING RECEIVED THIS LETTER!**



THE WHITE HOUSE
WASHINGTON

DATE: 6/11

TO: *Betty Currie*

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



for BC memo



THE WHITE HOUSE
WASHINGTON

June 10, 1993

Mr. Austin P. Sullivan, Jr.
Vice President Public Affairs
General Mills, Inc.
P.O. Box 1113
Minneapolis, Minnesota 55440

Dear Mr. Sullivan:

Thank you for entrusting me with Bruce Atwater's letter for the President.

By copy of this letter, I am transmitting his letter to the President's Assistant and Staff Secretary John Podesta. I know that the President will appreciate his comments as do I.

With best wishes,

Sincerely,



Alexis M. Herman
Assistant to the President and
Director of Public Liaison

✓ cc: Hon. John Podesta

AMH:RGM

GENERAL MILLS, INC. • EXECUTIVE OFFICES

Number One General Mills Boulevard • Minneapolis, Minnesota

H. B. ATWATER, JR.
Chairman of the Board
Chief Executive Officer

May 27, 1993

The President
The White House
1600 Pennsylvania Ave, N.W.
Washington, DC 20500

Dear Mr. President:

The luncheon meeting at The White House on Wednesday was useful and productive.

At the luncheon we discussed some major principles of health care cost containment. A successful cost containment program must provide incentives for all three major elements in the health care system: providers, employers (or payers), and individual health care consumers. It is not yet clear whether your plan will address all three. In fact, the prospect of over \$100 billion of new medical expenses in an economy facing substantial tax increases is contributing to lowered consumer confidence, job retrenchment, and hesitance to commit new capital.

We strongly endorse your plan's emphasis on managed competition and large purchasing cooperatives as they should result in health care agreements that create major incentives for health care providers to be as efficient as possible.

Incenting employers is also important. For example, we have instituted a number of innovative approaches to lower the cost of high-quality care because our bottom line benefits from them. A flat 7% payroll tax would wipe out those benefits and give us no incentive to reduce cost. It also removes the incentive to improve for those who are providing care less efficiently.

The most important player to incent is the individual consumer. More than any other factor, utilization is what drives health care cost. If an individual (or employer on behalf of the individual) pays a fixed amount or a standard percent of wages for coverage, there is no incentive for judicious utilization of health care and no incentive to choose a lower cost, more efficient provider.

At General Mills, employees and their families can reduce their annual premium costs by \$720, or 42%, by the personal choices they make on wellness, preventive care and plan utilization. If the employee and his or her spouse agree to participate in a wellness program and make progress towards a healthier lifestyle, their \$143 share of the monthly premium is reduced by \$20. And if that same family is in the bottom 80% of health care utilization (measured in dollars) for the previous year, an additional \$40 is deducted from their monthly premium. This gives employees a real financial incentive to practice wellness and avoid over-utilization of health care benefits.

Your reform proposal must find a way to keep individuals incented to make good choices, while protecting them against expenses they truly cannot afford.

Finally, I hope you and your advisers recognize the special problem posed by part-time workers. If employers are required to provide full-time health benefits to part-time workers, the cost could easily be 35 to 40% of wages. That is not economically sustainable. For this group -- this is almost 20% of the workforce -- the employer's cost should be capped as a percent of wages or there will be major job loss.

If it would be helpful, I'd be pleased to talk in greater detail with your advisors about any of these ideas and others which we have. Thank you again for taking the initiative to have us to lunch. It was a very good discussion.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bruce".

HBA:dt

93 JUN 10 All : 50

June 10, 1993

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

Dear Mr. President:

We support and commend your Administration for its bold approach to correct the serious and chronic U.S. trade imbalance with Japan.

Your challenge to the Japanese Government to reduce substantially its trade imbalance with the rest of the world should lead to almost immediate opportunities to sell competitive U.S. products in Japan and strengthen the global trading system.

The facts are on your side. Despite years of pledges and commitments to previous Presidents, Japan's current trade surplus with the U.S. remains at nearly \$50 billion. Automotive trade accounts for nearly two-thirds of that imbalance and projections are that it may increase in 1993. In 1992, Japanese automakers accounted for some 30% of the U.S. auto market and 12% of Europe's, while all foreign manufacturers accounted for less than 3% of Japan's market. And Japanese automakers have used their protected home market profits to fund their expansion into the world's major markets.

Chrysler, Ford and General Motors have active sales and marketing operations in Japan. Each company has strengthened distribution networks, increased advertising expenditures and established technical centers there as well. The vehicles our companies and members produce can compete effectively with any product offered to Japanese consumers and our parts and components with any now purchased by U.S. transplants. But the record suggests little promise for major U.S. gains unless there are fundamental changes in Japanese Government and business practices and measurable indicators to assess increases in U.S. sales opportunities.

The more than 2 million American workers who are building and selling Chrysler, Ford and General Motors' cars, trucks and components are taking on the world. And, as the market share of the three companies grows, so do the number of high quality jobs that can be offered. However, a large and persistent trade deficit with Japan will continue to be an impediment to U.S. economic growth and job creation.

You saw first-hand the spirit, dedication and pride of the workers who build our cars and trucks when you attended the "Drive American Quality" event. Your words of support were appreciated by all of us who have worked hard to build a strong and globally competitive U.S. auto industry. Results of a strong U.S.-Japanese trade policy will create jobs and help get our economy moving. We encourage you to remain firm in your determination to start reducing the chronic U.S. trade deficit with Japan.

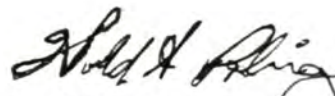
Respectfully,



Mr. Owen Bieber
President
United Auto Workers



Mr. Robert J. Eaton
Chairman
Chrysler Corporation



Mr. Harold A. Poling
Chairman
Ford Motor Company



Mr. John F. Smith, Jr.
President
General Motors Corporation



Mr. Thomas H. Hanna
President
American Automobile Manufacturers Association

6-943

* JDPodesta

for appropriate
distribution. JMC

DATE: 6/11.

TO: David Dreyer / Jonathan Prinz

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

Will you call this
guy + say we've
received + that
it will be considered.
I don't have a view on
the merits. JDP



AWARD WINNING FILMS

P.O. BOX 3754
ARCADIA, CALIF. 91007
(818) 447-5574
Fax: (818) 445-5902

Spring, April 12, 1993

JP 4/14

Mrs. Betty Currie
THE WHITE HOUSE
The Presidential Office
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear Mrs. Currie:

As per our telephone conversation, I am enclosing **another** copy of the package, I previously sent to President Clinton.

As I mentioned to you on the telephone, I mailed the first package to the President on February 10, 1993. Six weeks later when I called to inquire about the status of the package, I had a very difficult time trying to trace it! Marsha Scott's staff did not have any idea where it was. The mailroom staff informed me that they had no way of locating it! The Agency Liaison's Office told me it was probably floating somewhere in the building!

I realize that the President receives an extremely large volume of mail each day! I also understand that you are under-staffed and don't have the personnel to handle such a large volume. After I discussed it with you on the telephone, I realized that the best way to take care of the problem, was to send you (personally) a second copy of the package!

Would you please do me a very personal favor and take ten (10) minutes of your time to read the letter enclosed in the package to the President? Or, would you please hand the letter to the President personally, and have him take a few minutes to read the letter?

I sincerely hope that after you read the letter that you will agree with me, that this is a very worthwhile project, that will bring a lot of joy to literally hundreds of thousands of children from all walks of life!

TWO "EMMY AWARD" NOMINATIONS

MOTION PICTURES • TELEVISION SPECIALS • FEATURE FILMS
VIDEO TAPE PRODUCTIONS • COMMERCIALS • DOCUMENTARY FILMS

Mrs. Betty Currie

-2-

April 12, 1993

Should the President decide to support this project, I would need to go into production almost **immediately**. I have already lost two months waiting for a response from my first inquiry! I am sure that you realize that a production such as this requires a great deal of preparation, and I need all the lead time I can possibly have to work out the myriad of details!

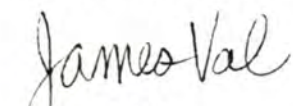
I realize that the President keeps a very, very busy schedule! But won't you please, please help me in this matter? I will be eternally grateful to you! ALL I am asking for is an opportunity for the President to personally look at my proposal, and for a personal response from him. I sincerely hope that I am not placing you in an awkward situation, and that I am not asking for too much!

I will be calling you in a few days to make sure you received the package! I want to thank you in advance for any help you can give me in this matter. I pray for the President, for you, and his staff daily, always asking the good Lord to guide you to make the right decisions in the difficult days that lie ahead!

Thank you.

Sincerely,

VAL PRODUCTIONS



James Val
Producer

JV:dk

Enclosures



AWARD WINNING FILMS

P.O. BOX 3754
ARCADIA, CALIF. 91007
(818) 447-5574
Fax: (818) 445-5902

Winter, 2/9/93

President Bill Clinton
THE WHITE HOUSE
1600 Pennsylvania Avenue N. W.
Washington, D. C. 20500

Dear President Clinton:

May I join the millions of excited Americans in expressing my warmest **CONGRATULATIONS** on your stunning victory!

In 1923, an exciting American tradition was started by President Calvin Coolidge. Early one Christmas morning, he walked out of the presidential office to the South lawn of the White House, to light a Christmas Tree from his native state of Vermont.

The lighting of the **NATIONAL TREE OF PEACE**, was to become an annual event as a living expression of peace on earth, and as an American tradition of good will and brotherhood toward all nations of the world!

This custom was continued during the administrations of Presidents Herbert Hoover, Franklin D. Roosevelt, Harry S. Truman, Dwight D. Eisenhower, John F. Kennedy, and Lyndon B. Johnson. In recent years, this very meaningful symbol of "Peace on Earth and Good Will Toward Men" has been experiencing a gradual decline, both in interest, and support, by recent administrations! Somehow this annual event has lost its true meaning, and has not been given the proper exposure of years past.

As a small boy living in the rural countryside of Texas, I used to look forward to hearing the Presidential address to the nation on Christmas Eve on the radio! Exciting visions of multi-colored, twinkling lights and shiny ornaments filled my imagination! I was instantly transported by my mind's eye to the White House grounds, and I fantasized that I was standing there next to the President, as he pulled the lever to light the **CHRISTMAS TREE OF PEACE!** To many of us children who were too poor to buy and decorate our own tree, this festive, happy occasion became our very own special way to celebrate the Christmas Season!

TWO "EMMY AWARD" NOMINATIONS

MOTION PICTURES • TELEVISION SPECIALS • FEATURE FILMS
VIDEO TAPE PRODUCTIONS • COMMERCIALS • DOCUMENTARY FILMS

President Bill Clinton
Winter, 2/9/93
Page Two

The American people are looking up to you as the **PEOPLE'S PRESIDENT!** One that has expressed a genuine love for people and as a President that sincerely wants to help them achieve their goals. They are placing their dreams and trust in your hands, with the hope that you will provide them with the leadership to make America a better place for all of us.

By writing this lengthy letter to you, I am also expressing my hope that you will be the President that will restore the loving American tradition of the **CHRISTMAS TREE OF PEACE**, to its rightful place in the hearts of all Americans from all walks of life! Also, I am writing to you hoping that you will take a few minutes to consider the following thoughts:

I have always wanted to produce an Educational/documentary film of the story behind the **NATIONAL TREE OF PEACE!** An in-depth, innovative, award-winning film on the history of this most meaningful symbol of peace would make an exciting, and very moving film. I feel very strongly that we have all the elements in this story that we need, to produce a creative motion-picture, that you and I would be very proud of!

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Continued....

President Bill Clinton
Winter, 2/9/93
Page Three

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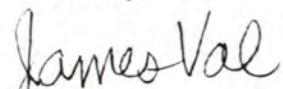
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I pray for you daily, asking God to strengthen you, and to guide you, in the difficult days ahead.

If I can be of assistance, please don't hesitate to contact me.

Thank you.

Sincerely,



James Val, Producer
VAL PRODUCTIONS

JV/ns

P. S. I am enclosing a copy of one of my children's books, to give you an idea of the quality of books that I produce. **PLEASE ACKNOWLEDGE HAVING RECEIVED THIS LETTER!**

Chron

THE WHITE HOUSE
WASHINGTON

DATE: 6/11

NOTE FOR: *Secretary Peña; Bo Carter*

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: *Christine Varney*

WASHINGTON

93.24 4 P6: 48

FROM: Bowman Cutter 
SUBJECT: Decision on Maritime Issues

THE PRESIDENT HAS SEEN

Secretary Peña proposes that the Administration adopt a revised maritime revitalization program (TAB B of the Secretary's memorandum). This memorandum asks whether you wish to: A) proceed immediately with the Secretary's program; B) delay action until the end of the summer as recommended by the NEC Deputies; or C) have the issue discussed further by the NEC Principals.

II. BACKGROUND/ANALYSIS

○ *Budget constraints.* The FY94 budget included no money for maritime reform. In light of discussions with Congress over reconciliation, the Deputies concluded that DOT's proposal should not displace existing Administration priorities.

The Deputies also agreed that the interagency groups should continue their work. Three related efforts are underway: one group is considering measures to assist U.S. shipyards as they convert from a military to a civilian market; a second group is developing the defense

requirement for sealift capacity; a third group is working to resolve deficit-neutral maritime issues, such as cargo preference and Shipping Act legislation.

Aftermath of the NEC Decision. Following the NEC Deputies meeting, Secretary Peña and his staff consulted with members of Congress, industry, and the press. This consultative process successfully lowered expectations. Neither Congress nor the industry now expect an Administration proposal before the end of the summer.

Budgetary Implications of Secretary Peña's New Proposal. Secretary Peña's proposal would increase the deficit by \$0.6 billion over the next five years (\$1.5 billion over ten years). Already it appears that the Appropriations Committees will cut funding for existing Presidential priorities. Adding DOT's initiative will make it more difficult to fund your other budgetary proposals.

Legislative Context. Beginning next week, Authorizing Committees will hold hearings on and perhaps mark-up legislation that incorporates some elements of the DOT proposal. The White House Legislative Affairs Office regards it as highly improbable that the Appropriations Committees will agree to fund new spending.

III. OPTIONS

A. Adopt Secretary Peña's New Maritime Revitalization Program

PRO:

- 1) Provides U.S. carriers with subsidies to remain under the U.S. flag. By 1997, this program would increase the number of ships under government contract from 54 to 90.
- 2) Prevents job losses due to reflagging. Adopting the program would preserve up to 10,000 jobs between now and 1997.
- 3) Provides subsidies to U.S. shipyards. The Secretary's program is intended to help shipyards convert from naval production and become competitive in the global commercial market. The efficacy of the program, however, is highly uncertain.

CON:

- 1) Complicates negotiations over budget reconciliation and may come at the expense of other Administration priorities.
- 2) Defense needs will not be known until August. Without this information, it will be difficult for the Administration to defend the size of its program.
- 3) The DOT program for shipbuilding is not based on an adequate analysis of the industry's problems, nor is it integrated into the Administration's larger defense conversion efforts.
- 4) Individual elements of the plan are strongly opposed by other agencies.

B. Allow existing Administration working groups to complete fact-finding, seek consensus on issues that now sharply divide Executive Branch agencies, and present options for consideration by the NEC Deputies in the fall.

PRO:

- 1) Avoids further complicating the negotiations over budget reconciliation.
- 2) Sound fact-finding will allow the Administration to build the broad support needed for a maritime program.
- 3) In the judgement of all agencies but DOT, anticipated job losses between now and 1997 can be prevented even if announcement of a program is delayed until the early fall.
- 4) Delay would allow the pursuit of consensus within the interagency working group.
- 5) Delay would allow the development of a maritime program that is consistent with the Administration's larger defense conversion efforts.

CON:

- 1) The Administration will have less influence over maritime legislation put forward by the Congress. Without immediate decisions regarding the nature of a new program, Executive Branch agencies will have to note in their testimony that the Administration continues to review these issues and expects to reach decisions by the end of the summer.

IV. DECISION

- ☐ Approve Option A
- ☐ Approve Option B
- ☐ Refer to NEC Principals for further discussion
- ☐ No action



THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

May 27, 1993 JUN 1 A 9: 38

INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM: Federico Peña

SUBJECT: Revitalization of the U.S. Maritime Industry

I appreciate the time we spent during our run on Monday discussing DOT's Maritime Revitalization Program. You mentioned that you would send a letter to your staff regarding this proposal. For your convenience, I have prepared the attached information for your use in drafting the letter. I hope that it will be helpful. If you wish for me to pursue this matter with other appropriate individuals, please let me know. .

I. SUMMARY

The American ship operating and shipbuilding industries are in steep decline for reasons which include foreign subsidies, low cost foreign labor, over regulation and disparate safety and construction standards vis-a-vis the foreign competition. These are vital industries for the U.S. economy, American seapower and force projection. The Department of Transportation proposes two alternative actions designed to alter existing federal assistance for these industries and assist them in transitioning to international competitiveness. We risk the transfer of American ships to foreign countries, a continued substantial loss of a shipbuilding industry, and a loss of 60,000 jobs if we fail to act soon.

II. DISCUSSION

The original DOT Maritime Revitalization Program (Tab A) would provide declining direct subsidies to both liner and bulk vessels between FY 1994-03. The total new outlays of this initiative are \$ 2.4 billion. The DOT ALTERNATIVE Maritime Revitalization Program (Tab B) is a substantially reduced initiative at lower cost and with fewer ships initially. In addition, less assistance is provided to our shipyards. The total new outlays of this alternative initiative are \$1.5 billion.

If we do not move quickly to adopt one of these proposals or an effective alternative, we risk losing significant portions of these two industries. I have been assured of strong support by key Congressional committee chairmen who have introduced their own legislation.

I am available to discuss these options at your convenience.

##

Attachments (2)

DOT MARITIME REVITALIZATION PROGRAM

Liner and Bulk Programs

- o A 10-year program (FY 94-FY 2003) in which operators would receive \$2.5m/year/ship in FY 94-FY 97 and \$2.0m/ship/year FY 98-FY 2003. Approximately 90 liners and the annual equivalent of 12 bulk ships would be eligible. Liners must be less than 15 years old; bulkers must be new. Eligible liners may be built abroad if less than 5 years old when they enter the program. For each two ships acquired foreign during the first 5 years, owners must acquire one new ship in the U.S. unless the construction cost differential is greater than the amount paid by the Government. Vessels receiving assistance in the new program must operate exclusively in the U.S. foreign trade. Trade route and service restrictions of the ODS program would not apply to vessels in the new program. The Coast Guard will work toward conforming U.S. construction and operational requirements to international standards.

Title XI Loan Guarantees

- o Provide additional funding for Title XI loan guarantees in FY 1994-96 to support ship construction in U.S. shipyards (not currently in the President's budget).

Taxes

- o The Capital Construction Fund (CCF) program would be modified to allow withdrawals for leased vessels, the Alternative Minimum Tax (AMT) adjustment would be repealed, and operators would be permitted 4-year accelerated depreciation. As a budget offset, accumulated earnings of the CCF would be taxed.

Cargo Preference

- o Foreign built vessels would be immediately eligible to carry civilian preference cargoes. The Administration would initiate an Executive Order on enforcement, support cargo preference for cash transfer programs, and support use of commercial practices (e.g., consecutive charters) and other efficiencies.

Domestic Trade

- o The Administration would support legislation which closes "loopholes" to the Jones Act, including bringing "cruises to nowhere" under the Act.

Shipbuilding

- o The Administration would support multinational negotiations and legislation to provide redress for U.S. shipyards against foreign shipbuilding subsidies, and support use of defense conversion funds, Advanced Research Projects Agency R&D funds, Export-Import Bank financing and other non-DOT Federal assistance. A provision for construction cost differential in the liner/bulk program provides an incentive to build U.S. ships.

Shippers

- o No action at this time.

Outlays (in millions)

	<u>Fiscal Year</u>										
	94	95	96	97	98	99	00	01	02	03	TOTAL
ODS Budget Baseline	\$241	242	239	213	62	8	6	5	0	0	\$1,016
Proposal											
Liner											
Current Program	107	78	53	51	15	0	0	0	0	0	304
New Program	165	180	195	198	180	180	180	180	180	180	1,818
Bulk											
Current Program	37	34	26	10	6	6	6	5	0	0	130
New Program	30	30	30	30	24	24	24	24	24	24	264
Subtotal	339	322	304	289	225	210	210	209	204	204	2,516
Difference	98	80	65	76	159	198	200	200	200	200	1,500
Title XI	75	75	50	0	0	0	0	0	0	0	200
Shipyards	163	238	128	84	46	14	0	0	0	0	673(est.)
Total	\$577	635	482	373	267	220	206	205	200	200	\$3,389
Net New Outlays	\$336	393	243	160	205	212	200	200	200	200	\$2,373

DOT ALTERNATIVE MARITIME REVITALIZATION PROGRAM

Liner and Bulk Programs

- o In FY 94, a new 10-year program for up to 90 ships is started with \$2.5m/year/ship through FY 97, and \$2.0m/year/ship in FY 98-03. In start-up in FY 94/95, new contracts would be limited by savings made available within the existing budget. All operators would be deregulated, and foreign acquisitions permitted. No subsidies for bulk carriers are contemplated. The Coast Guard will work toward conforming U.S. construction and operational requirements to international standards.

Title XI Loan Guarantees

- o Provide additional funding for Title XI loan guarantees in FY 94-98 to support ship construction in U.S. shipyards (not currently in the President's budget).

Taxes

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Shippers

- o No action at this time.

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Proposal											
Liner											
Current Program	107	78	53	51	15	0	0	0	0	0	304
New Program	96	109	195	198	180	180	180	180	180	180	1,678
Bulk											
Current Program	37	34	26	10	6	6	6	5	0	0	130
New Program	0	0	0	0	0	0	0	0	0	0	0
Subtotal	240	221	274	259	201	186	186	185	180	180	2,112
Difference	- 1	-21	35	46	139	178	180	180	180	180	1,096
Title XI	75	75	75	75	75	0	0	0	0	0	375
Total	315	296	349	334	276	186	186	185	180	180	2,487
Net New Outlays	\$ 74	54	110	121	214	178	180	180	180	180	\$1,471

INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM: Federico Peña

SUBJECT: Revitalization of the U.S. Maritime Industry

I appreciate the time we spent during our run on Monday discussing DOT's Maritime Revitalization Program. You mentioned that you would send a letter to your staff regarding this proposal. For your convenience, I have prepared the attached information for your use in drafting the letter. I hope that it will be helpful. If you wish for me to pursue this matter with other appropriate individuals, please let me know.

I. SUMMARY

The American ship operating and shipbuilding industries are in steep decline for reasons which include foreign subsidies, low cost foreign labor, over regulation and disparate safety and construction standards vis-a-vis the foreign competition. These are vital industries for the U.S. economy, American seapower and force projection. The Department of Transportation proposes two alternative actions designed to alter existing federal assistance for these industries and assist them in transitioning to international competitiveness. We risk the transfer of American ships to foreign countries, a continued substantial loss of a shipbuilding industry, and a loss of 60,000 jobs if we fail to act soon.

II. DISCUSSION

The original DOT Maritime Revitalization Program (Tab A) would provide declining direct subsidies to both liner and bulk vessels between FY 1994-03. The total new outlays of this initiative are \$ 2.4 billion. The DOT ALTERNATIVE Maritime Revitalization Program (Tab B) is a substantially reduced initiative at lower cost and with fewer ships initially. In addition, less assistance is provided to our shipyards. The total new outlays of this alternative initiative are \$1.5 billion.

CONCURRENCES		
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If we do not move quickly to adopt one of these proposals or an effective alternative, we risk losing significant portions of these two industries. I have been assured of strong support by key Congressional committee chairmen who have introduced their own legislation.

I am available to discuss these options at your convenience.

##

Attachments (2)

cc: MAR-100 MAR-110 MAR-400 MAR-410 MAR-560 S-10
410:BCarlton:64468:hal:5/26/93

DOT MARITIME REVITALIZATION PROGRAM

Liner and Bulk Programs

- o A 10-year program (FY 94-FY 2003) in which operators would receive \$2.5m/year/ship in FY 94-FY 97 and \$2.0m/ship/year FY 98-FY 2003. Approximately 90 liners and the annual equivalent of 12 bulk ships would be eligible. Liners must be less than 15 years old; bulkers must be new. Eligible liners may be built abroad if less than 5 years old when they enter the program. For each two ships acquired foreign during the first 5 years, owners must acquire one new ship in the U.S. unless the construction cost differential is greater than the amount paid by the Government. Vessels receiving assistance in the new program must operate exclusively in the U.S. foreign trade. Trade route and service restrictions of the ODS program would not apply to vessels in the new program. The Coast Guard will work toward conforming U.S. construction and operational requirements to international standards.

Title XI Loan Guarantees

- o Provide additional funding for Title XI loan guarantees in FY 1994-96 to support ship construction in U.S. shipyards (not currently in the President's budget).

Taxes

- o The Capital Construction Fund (CCF) program would be modified to allow withdrawals for leased vessels, the Alternative Minimum Tax (AMT) adjustment would be repealed, and operators would be permitted 4-year accelerated depreciation. As a budget offset, accumulated earnings of the CCF would be taxed.

Cargo Preference

- o Foreign built vessels would be immediately eligible to carry civilian preference cargoes. The Administration would initiate an Executive Order on enforcement, support cargo preference for cash transfer programs, and support use of commercial practices (e.g., consecutive charters) and other efficiencies.

Domestic Trade

- o The Administration would support legislation which closes "loopholes" to the Jones Act, including bringing "cruises to nowhere" under the Act.

Shipbuilding

- o The Administration would support multinational negotiations and legislation to provide redress for U.S. shipyards against foreign shipbuilding subsidies, and support use of defense conversion funds, Advanced Research Projects Agency R&D funds, Export-Import Bank financing and other non-DOT Federal assistance. A provision for construction cost differential in the liner/bulk program provides an incentive to build U.S. ships.

Shippers

- o No action at this time.

<u>Outlays</u> (in millions)	<u>Fiscal Year</u>										TOTAL
	94	95	96	97	98	99	00	01	02	03	
ODS Budget Baseline	\$241	242	239	213	62	8	6	5	0	0	\$1,016
Proposal											
Liner											
Current Program	107	78	53	51	15	0	0	0	0	0	304
New Program	165	180	195	198	180	180	180	180	180	180	1,818
Bulk											
Current Program	37	34	26	10	6	6	6	5	0	0	130
New Program	30	30	30	30	24	24	24	24	24	24	264
Subtotal	339	322	304	289	225	210	210	209	204	204	2,516
Difference	98	80	65	76	159	198	200	200	200	200	1,500
Title XI	75	75	50	0	0	0	0	0	0	0	200
Shipyards	163	238	128	84	46	14	0	0	0	0	673(est.)
Total	\$577	635	482	373	267	220	206	205	200	200	\$3,389
Net New Outlays	\$336	393	243	160	205	212	200	200	200	200	\$2,373

DOT ALTERNATIVE MARITIME REVITALIZATION PROGRAM

Liner and Bulk Programs

- o In FY 94, a new 10-year program for up to 90 ships is started with \$2.5m/year/ship through FY 97, and \$2.0m/year/ship in FY 98-03. In start-up in FY 94/95, new contracts would be limited by savings made available within the existing budget. All operators would be deregulated, and foreign acquisitions permitted. No subsidies for bulk carriers are contemplated. The Coast Guard will work toward conforming U.S. construction and operational requirements to international standards.

Title XI Loan Guarantees

- o Provide additional funding for Title XI loan guarantees in FY 94-98 to support ship construction in U.S. shipyards (not currently in the President's budget).

Taxes

- o The Capital Construction Fund (CCF) program would be modified to allow withdrawals for leased vessels, the Alternative Minimum Tax (AMT) adjustment would be repealed, and operators would be permitted 4-year accelerated depreciation. As a budget offset, accumulated earnings of the CCF would be taxed.

Cargo Preference

- o Foreign built vessels would be immediately eligible to carry civilian preference cargoes. The Administration would initiate an Executive Order on enforcement, support cargo preference for cash transfer programs, and support use of commercial practices (e.g., consecutive charters) and other efficiencies.

Domestic Trade

- o The Administration would support legislation which closes "loopholes" to the Jones Act, including bringing "cruises to nowhere" under the Act.

Shipbuilding

- o The Administration would support multinational negotiations and legislation to provide redress for U.S. shipyards against foreign shipbuilding subsidies, and support use of defense conversion funds, Advanced Research Projects Agency R&D funds, Export-Import Bank financing and other non-DOT Federal assistance.

Shippers

- o No action at this time.

Outlays (in millions)

	<u>Fiscal Year</u>										
	94	95	96	97	98	99	00	01	02	03	TOTAL
ODS Budget Baseline	\$241	242	239	213	62	8	6	5	0	0	\$1,016
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Current Program	107	78	53	51	15	0	0	0	0	0	304
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Bulk											
Current Program	37	34	26	10	6	6	6	5	0	0	130
New Program	0	0	0	0	0	0	0	0	0	0	0
Subtotal	240	221	274	259	201	186	186	185	180	180	2,112
Difference	- 1	-21	35	46	139	178	180	180	180	180	1,096
Title XI	75	75	75	75	75	0	0	0	0	0	375
Total	315	296	349	334	276	186	186	185	180	180	2,487
Net New Outlays	\$ 74	54	110	121	214	178	180	180	180	180	\$1,471

Chum

THE WHITE HOUSE
WASHINGTON

DATE: 6/11

NOTE FOR: *MAGGIE WILLIAMS*

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

Information ☒
Action ☐

Thank you.

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

cc:

THE WHITE HOUSE
WASHINGTON

THE PRESIDENT'S OFFICE
6-10-93
SEEN

June 10, 1993

TELEPHONE CALL TO SHERRY KOHLENBERG

DATE: June 10, 1993
LOCATION: Oval Office
TIME: 4:00 pm
From: Dawn Friedkin

I. PURPOSE

You and Hillary will call Sherry Kohlenberg to convey your best wishes and to invite her, her husband and son to the White House as soon as she feels well enough to visit.

*Sherry saw
up by HRC 5:15pm*

II. BACKGROUND

Sherry Kohlenberg was one of the Faces of Hope. She is fighting cancer. She was receiving Taxol treatments at NIH, but recently discovered that the Taxol is not working. Sherry wrote to Hillary in March and requested that whatever happens to her, she wants her son Sammy to meet you. Hillary wrote her back and promised that this would happen. The letters are attached.

I am hoping that Sherry will feel well enough in the next weeks so that she can join her husband, Larry and her son, Sammy when they visit the White House. I spoke with Sherry on Tuesday and she said to call her later in the week so that she could better concentrate on her schedule.

You and Hillary will call Sherry at the Medical College of Virginia where she is currently undergoing treatment.

She has had a difficult week with pain, but according to her nurse this morning, she is feeling a bit better. She is currently in the hospital because she was having problems with shortness of breath. They put a tube in her side to drain fluid in her lungs to alleviate this problem. The tube was removed yesterday.

Last week she had emergency radiation treatments because she was suffering severe headaches. It was discovered at that time that she had large lesions in her brain. She is now undergoing scheduled "whole brain" radiation treatments. She does not need to stay in the hospital for these treatments and will be going home possibly today or tomorrow.

IV. PARTICIPANTS

The President
The First Lady
Sherry Kohlenberg

V. SEQUENCE OF EVENTS

Betty will place call and have Sherry Kohlenberg on the line.

VI. REMARKS

None required.

3.10.93

Dear Hillary,

I have written this letter to you a thousand times in my head. I wish I had a better command of words, but they seem so inadequate for what I want to say. Anyway here goes.

First of all, I wanted to thank you for including me and my husband, Lamy, in the week of Inaugural activities. It was the first time since my transplant that we were away, alone, together. We had fun and relaxed--it had been a long time since we felt we could just let loose. We met such incredible people during the week. The other Faces of Hope, ordinary Americans who are such extraordinary people. The staff and volunteers were wonderful to us and proved to be very special people too. Everyone treated us like royalty. And the shows and events were spectacular.

Clearly, the highlight of the week was the luncheon on Monday. It was great to get to speak with you again. You must feel bombarded at times with so many important issues, but you were so gracious in taking the time to

Continue our discussion. We talked briefly at lunch about the "backlash" being experienced by the breast cancer movement. I've enclosed some articles which exemplify this phenomenon and the response of the National Breast Cancer Coalition. Just last week, the effectiveness of mammography screening in young women is being questioned, as it should be, but the response is to change screening age guidelines instead of insisting upon better screening technologies such as a blood test (similar to that used for prostate cancer). I fear that young women will be short changed again in this horrible battle for our lives.

I am so happy that you are heading up the task force on Health Care Reform. I know that in your capable hands we can make quality health care accessible to everyone. You have a very difficult job in front of you. I hope I will be able to help in some way.

In a more personal note, our lives got very crazy very fast. A week after we returned from the Inauguration, I went to the doctor for a three month check-up. He discovered that my cancer is back. It's in my liver and lungs. Breast cancer is so insidious. Just when you think the nightmare might be over, cancer is back stealing your life.

I've started treatment with Taxol, part of a National Cancer Institute protocol. Taxol is derived from Ewe trees and has shown alot of promise. I've had two treatments and will soon have a CAT scan to see if it's working, but I'm very hopeful. My cancer has always been very responsive to chemotherapy and we're praying that it will be again. My doctor tells me that when Taxol works for breast cancer it works very well and can hold the disease at bay for six to twelve months. A challenge is to prove everyone wrong and live for another twenty years!

But in case I don't make it that long, I wanted to ask you to consider, in addition to my husband, Larry, a friend of mine to serve as a "personal" voice for the breast cancer epidemic. You met Mary Jo Kahn in Williamsburg in October. Her mother died of breast cancer in her forties, and Mary Jo and her sister Judy were diagnosed within weeks of each other. Mary Jo is a nurse practitioner and is very savvy about the politics of breast cancer. She can be reached at 304-740-3343.

I have also had a couple of really nice things happen recently. A book I wrote for Sammy when I was first diagnosed has been accepted for publication. It's geared for two to four year olds and is called "Sammy's Mommy Has Cancer". The book's illustrations are based on photographs of me, Larry and Sammy. It's scheduled for release in August and I'll be sure to send you a copy. The other thing that's happened recently is that the school where I did my graduate work has set up a scholarship in my name. I feel very honored to be recognized for my professional work, it's exciting. Hopefully I can present the first award in May at graduation.

Larry, Sammy and I are leaving for a week at Disney World on Friday. Our primary goal is to have fun! Luckily, we got a head start on that goal with the Inauguration.

I hope that no matter what happens, you will continue to keep Larry and Sammy in the faces of Hope circle. It would mean alot to me and to them. Incidentally, Sammy has his first hero. It isn't Batman and it isn't Godzilla - It's Bill Clinton - his president. What a wonderful gift for a four year old boy.

In closing, I want to thank you again for including me in the experience of a lifetime. It's family, friends, people like those involved in the Faces of Hope and exceptional individuals like you and the President that make life so exciting and wonderful.

- been very lucky in everything but my health. I've got a loving husband and son, a large, caring, extended family, and hundreds of friends. I suppose I'm greedy in asking for more time, but I'm having such a good time I'm just not ready to give it up.

I guess this is just my long winded way of saying that these are the most important things in life. I hope that with your sacrifice and willingness to serve that you always allow yourself the luxury of enjoying life and those you love.

I do have one special request. Sammy really wants to meet you and the President. We are working to build memories for him and it would be great if there's any way you could find a little bit of time for us. Certainly, you are probably the busiest people in the world, and if things don't work out we would understand completely.

Our family strongly supports the good work we've seen during the short time the Clinton Administration has been in office.

Sincerely,

Sherry

Sherry Kohlenberg
2600 Lincoln Avenue
Richmond, VA 23228
804-262-1890

Faces of Hope 1993

P.S. I enclosed a photograph of you and me at the luncheon - with hair!

None was enclosed

Ram

5/3 Sherry Kohlenberg
will call back w/
range of dates

THE WHITE HOUSE

April 21, 1993

Ms. Sherry Kohlenberg
2600 Lincoln Avenue
Richmond, Virginia 23228

Dear Sherry:

Thank you so much for your very touching letter and all your good news. I apologize for not getting back to you sooner.

I am delighted you and Larry had such a great time at the Inaugural and that you connected so happily with our staff and the other Faces of Hope. You deserve the royal treatment accorded you, and Larry and Sammy will always be a part of the Faces of Hope extended family as you requested.

Most importantly, I hope that at this point in time the Taxol treatment has proven beneficial and that your CAT Scan was successful. Your humor and view to the future are encouraging. Keep up the good fight for breast cancer awareness and thank you for enclosing the clippings. I will keep Mary Jo Kahn in mind.

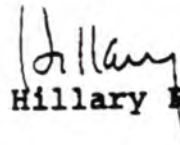
804
262
1890

Sherry Kohlenberg
April 21, 1993
Page Two

When may we see Sammy? I will have the President's scheduling office get in touch with you to make arrangements for a visit in the not too distant future.

I hope this letter finds you in good health and spirit, and I look forward to our visit soon. With best personal regards, I remain

Sincerely yours,



Hillary Rodham Clinton

Chron

THE WHITE HOUSE
WASHINGTON

DATE: 6/11

NOTE FOR:

Howard

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:

MEMORANDUM

To: ~~THE PRESIDENT~~
From: Nancy Hernreich
Date: June 9, 1993
Re: CALL FROM CONG MFUME

THE PRESIDENT HAS SEEN
61093

Called
Cong. Mfume called when you were out asked that you return his call. I told him that it would probably be after 6:30 before you could return the call. He can be reached at 225-4741 or at home at 410-788-0707.

Howard asked to check it out before you returned it. Mfume is calling to tell you that Black Caucus meeting is cancelled tomorrow but they want to reschedule it in a couple of weeks. It is important for this to be the first call you return upon your return from the From Reception.

Angry Caucus

- Hughes
- Madecan
- ETC
- JDs
- Wegomur

Chrom

THE WHITE HOUSE
WASHINGTON

DATE: 6/11

NOTE FOR: *Karen Sudbay*

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

Information



Action



*Do we have a new
information flow system?*

John

Thank you.

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

cc:

THE WHITE HOUSE
WASHINGTON

June 9, 1993

TO: Nancy Hernreich

FR: Karen Sudbay *KAS*

Hershel Gober sent Mack the attached. Mack
thought the President might want to see it.





The Deputy Secretary of
Veterans Affairs
Washington DC 20420

6-7-93

Hack

On Memorial Day the
President asked where the
largest National Cemetery was
located. I did not know at
the time.

Please find info enclosed.

1
1

Handwritten:
~~Harshel~~
~~Robert~~ Send
over

Total Cumulative Interments in Ten Largest National Cemeteries*

National Cemetery	Total Through September 1992	FY 1992 Interments
Long Island (Farmingdale, NY)	300,441	2,564
Arlington ¹ (Arlington, VA)	230,000	4,500 ²
Golden Gate (San Bruno, CA)	124,049	1,701
Fort Snelling (Minneapolis, MN)	113,347	3,683
Jefferson Barracks (St. Louis, MO)	105,628	3,612
Calverton (Calverton, NY)	94,865	7,035
Willamette (Portland, OR)	87,305	2,918
Los Angeles (Los Angeles, CA)	86,043	675
Fort Sam Houston (San Antonio, TX)	67,594	2,701
Riverside (Riverside, CA)	67,454	5,715

*No National Park Service or American Battle Monuments Commission cemeteries rank among the ten largest.

¹Arlington National Cemetery is not a VA cemetery. Operated by the Department of the Army.

²Estimate.

Chrom



THE WHITE HOUSE
WASHINGTON

DATE: 6/10

NOTE FOR: *Howard Paster*

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:

DP'S Deficit Reduction

THE PRESIDENT HAS SEEN
DAVID PRIOR

10-10-93

① WITHDRAW BTU TAX

- 19 exceptions
- NOT enough Revenue
- Favoritism to those exempted,
- Wall Street Journal
→ destroyed BTU
as of Tuesday 6-8-93
- FORGET BTU
- Need: ~~\$~~ 71 Billion

President Announces:

(1) will cut out funds
for Super Collider and
Space Station - or
Try to do so

(Note: does NOT happen
in Finance Committee - but on
Floor later)

(2) across The Board 2%
cut in Fed Spending
(or 1%)
Bismit Cookers relate and
understand This -

(3) Do NOT cut Medicare
further (already \$50 B. in
cuts here)

Propose

[1] 7¢ gallon gas Tax \$ 35 B. in

[2] Earned Income Tax \$
Credit $(\frac{1}{2}$ of Benefit) 14 B. in

[3] Fink Extenders to be
Temporary - not Permanent: 6 B. in
find

[4] Raise Corporate
Income Taxes from
35-36% . 16 B. in

THE WHITE HOUSE
WASHINGTON

DATE: 06/10/93

NOTE FOR: THE VICE PRESIDENT

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:

RE

cc This letter
to UP -

Good guy to contact
on this environmental
issue. B.



THE WHITE HOUSE

WASHINGTON

6/9/93

Dear Roger -

Thanks for your
letter and your good
work. Hang in there!
I hope we can work
together again

Sincerely
Bill

Mr. Roger P. Hoffman
Executive Vice President
and Chief Operating Officer
Green Bay Packaging, Inc.
Post Office Box 19017
Green Bay, Wisconsin 54307-9017

05/20/93

16:13

414 433 5337

GBP CORP. OFC.

001/005

BC
MEMO

GREEN BAY PACKAGING INC.
P.O. Box 19017
GREEN BAY, WISCONSIN 54307-9017

ROGER P. HOFFMAN
EXECUTIVE VICE PRESIDENT
CHIEF OPERATING OFFICER

PHONE: 414/433-5058
FAX: 414/433-5337

May 20, 1993

Joni Patterson
TO: ~~Ken Smith~~

I could sure use your help in getting this letter to the President.

Roger Hoffman/ce



GREEN BAY PACKAGING INC.

P.O. Box 19017

GREEN BAY, WISCONSIN 54307-9017

ROGER P. HOFFMAN
EXECUTIVE VICE PRESIDENT
CHIEF OPERATING OFFICER

PHONE: 414/433-5058
FAX: 414/433-5337

May 19, 1993

President Bill Clinton
The White House
1600 Pennsylvania Avenue
Washington, DC 20510

Dear President Clinton:

Since we have worked together for so many years, I thought that you would be interested in the attached press release.

For some time now, I have felt that there is a major opportunity to change the way we Americans do our packaging. As you can see from the press release, recycling and water pollution abatement make economic sense in addition to their obvious environmental benefits.

On an albeit minuscule scale in comparison to the bold step you took last year when you threw your hat in the ring, this is a big step for me and I believe a positive step (even if a small one) for American business and our environment.

Don't just look to CEO's of downsizing Fortune 500 Companies, but please help me create thousands of new jobs in 10 years by helping make this vision a reality. I was there and supported you when no one knew who Bill Clinton was -- now I need you to help me.

Sincerely,



Green Bay Packaging



Inc.

®

• CORPORATE OFFICE

P.O. BOX 190-7
GREEN BAY, WISCONSIN 54307-9017

May 18, 1993

FOR IMMEDIATE RELEASE

Green Bay Packaging, in a joint release with Roger P. Hoffman, announced that Roger P. Hoffman, the company's Chief Operating Officer has resigned his position. He will remain a consultant to the Company.

Jim Kress, recognizing Hoffman for his 25 years with Green Bay Packaging said: "We knew this situation would occur for some time now. Roger agreed two years ago to stay on through the completion of both the conversion of our Green Bay Mill to linerboard and the conversion of Arkansas Kraft to value added linerboard. "I'm happy to report both mills have successfully completed their learning curves and our operating profits for the first four months are 40% above the previous year." Mr. Kress said Hoffman correctly predicted that our Green Bay Mill would produce high quality 100% recycled linerboard and corrugating medium with a capital and operating cost that are significantly better than any other producer.

Mr. Hoffman explained that he was hopeful that he would be able to put together a package involving recapitalization of Green Bay Packaging's core assets to allow for the infusion of the capital needed to grow the business more aggressively than normal cash flow would permit. This could result in growing Green Bay Packaging from a regional to a national company with a series of regional mini mills and associated converting plants.

"I would very much like to see this concept developed", Hoffman said. The demonstrated ability to produce linerboard and corrugating medium in small mills with zero discharge to a treatment facility, minimizes all costs -- fiber, water, solid waste disposal, energy, labor, investment, transportation, and it's environmentally the right thing to do.

"While exploring various options, my first choice is to develop this concept with the people that made it all possible", Hoffman said.

The company's container operations will now be directed by Gerald F. Richardson. Jerry has been with us for 24 years in numerous capacities: Division Sales Manager at the Fremont, Ohio Division; General Manager at Atlanta, Georgia Division; Sales Manager at Green Bay Shipping Container Division; Vice President/General Manager at Fremont, Ohio Division, and most recently, Vice President/General Manager of Green Bay Shipping Container Division.

Mill Operations will be under the direction of David V. Borowski. Dave has been with the company since 1981 and has held the positions of Production Manager, Manager of Operations and Vice President/Mill Manager at the Green Bay Mill Divisions. In 1989 Dave was promoted to Vice President - Development, Mill Operations and later Vice President, Paper Mill Operations.

Business

MILWAUKEE SENTINEL Wednesday, May 19, 1993

Green Bay Packaging studies concept for mini-mill network

By **CHUCK DOHERTY**
Sentinel staff writer

The Green Bay Packaging Co. is studying the establishment of a nationwide network of regional mini-mills and converting plants as a way to grow at a limited cost, the company said Tuesday.

The idea springs from Roger P. Hoffman, who said Tuesday he would resign as the company's chief operating officer to become an industry consultant.

In a prepared statement, Hoffman said such a concept would allow a company to produce linerboard and corrugating medium with no discharge, thus minimizing such costs as fiber, water, solid waste disposal, energy, labor, investment and transportation.

"And it's environmentally the right thing to do," said Hoffman, a 25-year veteran at Green Bay Packaging.

"While exploring various options, my first choice is to develop this concept with the people who made it all possible."

James F. Kress, Green Bay Packaging president and chief operating officer, said the company had expected Hoffman's resignation, but had asked him to remain while mills in Green Bay and Arkansas were remodeled.

"I'm happy to report both mills have successfully completed their learning curves and our operating profits for the first four months are 40% above the previous year," Kress said.

Although Hoffman would be free to pursue his mill design

concept with other companies, Kress said he expected Hoffman to maintain the idea at Green Bay Packaging.

For one, Hoffman will retain a substantial holding of Green Bay Packaging stock, Kress said.

"He is a very creative person. This is probably better for him and better for the company. Both will probably go further because of this move," Kress said.

In related moves, Green Bay Packaging's container operation will be directed by Gerald F. Richardson, who previously was vice president and general manager of the Green Bay Shipping Container Division.

Mill operations will be handled by David V. Borowski. He previously was vice president of paper mill operations.



March 1969

THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS SEEN
6-10-93

Gov.
Springsteen

① For Babitt

② For Sullivan
for Interior

③ Hang in there -
~~to~~

B.

THE WHITE HOUSE

WASHINGTON

June 10, 1993

Dear Bill:

Thank you for your letter regarding the unexplained illness in New Mexico and Arizona and your request that I ask Secretary Shalala to declare the outbreak of a public health emergency under the Public Health Service Act.

A high level of effort is being made to determine the cause of this outbreak of unexplained illness. A total of 16 epidemiologists and laboratory scientists from the Centers for Disease Control and Prevention (CDC) are now on site in New Mexico and Arizona. They are working closely with Indian Health Service (IHS) and state and local public health department personnel.

There is no evidence of person to person transmission of this illness or of transmission from patients to health-care workers. A variety of laboratory tests are in progress at CDC laboratories to identify possible infectious agents or toxins. Preliminary information based on limited testing to date suggests that some patients had recently been infected with a virus that may be related to hantaviruses. These viruses are transmitted primarily through rodent excreta. Additional laboratory studies are required to confirm these preliminary results. Such studies are underway at CDC, but isolation and identification of this type of virus may require four to six weeks to accomplish.

Although these findings do not clearly establish the specific cause of this outbreak, we have agreed to release these preliminary findings in the event that antiviral therapy may be useful and to urge residents to avoid contact with rodents and their excreta.

Based on this information, Secretary Shalala does not believe declaration of a public health emergency is necessary at this time. The circumstances merit, and are receiving, our full attention and best effort. CDC continues to evaluate this outbreak of unusual illnesses through intensive ongoing field and laboratory investigations. We will continue to monitor the situation and keep you informed as circumstances change.

If you wish, Secretary Shalala will be glad to arrange for CDC and IHS personnel to brief you on the progress of this investigation.

With best wishes,

Sincerely,

A handwritten signature in dark ink, appearing to be 'Bill Richardson', written in a cursive style.

The Honorable Bill Richardson
House of Representatives
Washington, D.C. 20515

*Chase
summary*

HARRIET LIPKIN

ATTORNEY AT LAW

THE PRESIDENT HAS SEEN

6-10-93

PANTALEO & LIPKIN, P.C.

PRACTICE LIMITED TO LABOR, EMPLOYMENT AND CIVIL RIGHTS LAW

GEORGETOWN PLACE

1101 THIRTIETH STREET, N.W.

WASHINGTON, D.C. 20007

TELEPHONE 202 333-6700

FACSIMILE 202 333-6721

THE WHITE HOUSE
WASHINGTON

93 JUN 14 14:30

MEMORANDUM TO THE PRESIDENT

THE PRESIDENT HAS SEEN

FR: MARCIA HALE *MH*

6/10/93

RE: HAYNES JOHNSON INTERVIEW

DT: JUNE 5, 1993

Haynes is writing a book about the country --- our problems and opportunities -- as you begin your presidency. He travelled the country all last year interviewing individuals from all regions of the country. He has written about their hopes and fears -- for themselves, their families, and the country. He has written chapters on race, religion, crime, education, our cities.....

While he did not write directly about the campaign he did travel throughout the primaries and the general election. A great deal of the book is about you. Because he spent most of last year outside of Washington he was one of the first to recognize the power and danger of Perot's message and persona. He was also well ahead of most others in predicting that you would win the presidency.

I think you will find many of the quotes in the book emotionally powerful. Haynes is attempting to examine the American character in what he believes is a critical point in our history. I believe that much of what is expressed parallels what HRC has been articulating in her recent interviews.

Please don't see this as a personal request on my part. Treat it as you would any other request for an interview.

He has finished the book except for the last chapter where he would like to include some quotes from you. He would like to see you for 30 minutes sometime between now and when you go to Tokyo. The publication date is January 1994. Are you willing to do this?

Yes

To: Marcia L. Hale, Assistant to the President June 1, 1993

From: Haynes Johnson

On my request for a conversation with the president for my forthcoming book on America's Crisis of Change in the 1990s:

1. The theme of the book is that in the presidency of Bill Clinton the United States has entered the most important period in 60 years, a turning point in its history. Not since FDR have the long-term stakes been so high for America. If Clinton's opportunity is fulfilled, and genuine economic, political, and social change results, America will be in a stronger position to deal with its growing internal problems and with the challenges of a turbulent post-Cold War world in which the old rules no longer apply. The president is right when he says it's make or break time for America in the Nineties. I also believe this could be the last chance for the traditional political system. Hovering over this period is the prospect of more fragmentation, and more Ross Perot-type splinter movements that further divide rather than unite America.

2. This is not a political campaign book, not an expose, not a polemic. It is the result of nearly a year and a half of intensive interviews with Americans in all walks of life, in all regions of the nation--from leading CEOs and university presidents to political leaders and ordinary citizens, including gang members and new immigrants. The purpose is to examine America's social, political, economic fabric at a time of fundamental testing of the nation, and to address questions about the future. I'm attempting what Tocqueville did: to examine the American character at a critical point for America. My publisher believes this book will have wide impact and readership--greater influence even than Sleepwalking Through History which was on the best-seller lists for months in 1991, and is now used in colleges and universities nation-wide.

3. The book begins with the Clinton inaugural platform. The last chapter, which is the only one yet to be written, will focus entirely on President Clinton and his experience in governance. Titled The Reformer, I want to be able to reflect his thoughts on the role of the leader, lessons learned so far about his presidency, and faithfully report his views and his hopes as he attempts to make the most fundamental shift of America's direction--generationally, politically and economically--in my lifetime.

4. The conversation with the president will be used only for the book, and not in any articles or television or radio commentaries. As in previous presidential interviews over 30 years, I will, of course, honor any ground rules the president sets.

HAYNES JOHNSON, author, political commentator and distinguished newspaperman, is a veteran of more than twenty-five years working in the nation's capital, first for the *Washington Star*, then the *Washington Post*. He is considered one of the most perceptive and best-informed reporters in Washington. Presidents and congressional leaders have sought his advice, and millions of television viewers know him for his reports on the PBS program "Washington Week In Review."

Johnson has won numerous awards for political reporting. In 1966, he won the Pulitzer Prize for national reporting on his coverage of the Selma, Alabama civil rights conflict. He has written numerous articles and books on affairs of national interest, particularly *Dusk at the Mountain*, *The Bay of Pigs*, *The Working White House*, *In the Absence of Power*, and *Fulbright the Dessenter*. His latest book is *Sleepwalking Through History: America In The Reagan Years*.

Johnson is the son of the late Pulitzer Prize winning reporter and editor Malcolm Johnson, thus becoming a part of the only father and son to receive Pulitzers in the history of American journalism. He has five children and resides in Washington, D.C.

Congressman
GEORGE HOCHBRUECKNER

At 6 - Fyl - Sep 12
Roch. ally - B

THE PRESIDENT HAS SEEN
THE

6/10/93

Reports to Long Island

JUNE 1993

Dear Neighbor,

This has been a busy, exciting year as members of Congress and the President grapple with the most important issue of our time, the economy, which also includes our sick health care system and our environment.

President Clinton's economic stimulus package would have provided a welcome boost to Long Island with \$1.7 billion of the \$16 billion directed to New York State. With that package defeated we have to look to other ways.

For several years, I have been promoting my own four point economic growth plan and I am pleased that in President Clinton we have an executive who understands the need for redirecting federal dollars and is excited about dual-use technology, that is technologies which have both military and civilian uses.

My plan is and has been to continue to bring to Long Island as many defense dollars as possible for the conventional weapons systems the military will continue to need, to direct defense research and development funds to dual-use technologies, to continue and expand programs that provide federal funds to help defense-oriented companies diversify and workers retrain, and to accelerate construction jobs on Long Island by expediting federal funds.

When it comes to the environment, I have good news. Peconic Bay, is now in the National Estuary program and the vital work of preserving and restoring this estuary system has begun. I also testified before the Appropriations Subcommittee on the Interior in May, supporting a \$5.7 million National Demonstration Greenspace Program which would provide money to pursue strategies to conserve systems of open land in and around urban areas. This program could provide much needed funding for the Long Island Pine Barrens/Maritime Reserve Council, charged with developing a regional, environmentally sensitive approach to planning and development in eastern Long Island.

Other news of importance to you concerning health care and Lyme Disease is also included in this newsletter. I hope the information is of use to you and your family and I hope to see you at one of the town meetings listed on this page.

Sincerely,

George Hochbrueckner

Your Turn



Congressman Hochbrueckner talks with constituents at a town meeting in Kings Park.

TOWN MEETINGS

Saturday, June 19

10 - 11 AM
East Hampton High School Library
2 Long lane

1 - 2 PM
Southampton High School
141 Narrow Lane

4 - 5 PM
Patchogue-Medford Public Library
54-60 East Main Street, Patchogue

Saturday, June 26

10 AM - 11 AM
Longwood Public Library
Route 25, Middle Island

1 - 2 PM
Suffolk County Community College
Riverhead Campus
Peconic Bldg., Rm. 100

3 - 4 PM
Southold Free Library
Main Road

Q 3022
234



Promoting recycling and composting

Congressman Hochbrueckner celebrated Earth Day, April 22, by introducing two important environmental bills. One proposes a comprehensive recycling strategy for consumer products and the other deals with tire recycling.

His Recyclable Materials Technology and Markets Development Act, first introduced in 1988, was the first comprehensive recycling legislation ever proposed in Congress. The Congressman thinks that the only way this country will be able to handle the 180 million tons of garbage generated in this country each year is by careful consumer purchasing to reduce what enters the waste stream, recycling, and composting. Recycling will not succeed, however, unless domestic and international markets are created for post consumer materials. That is why the new revised version of his recycling legislation requires the Secretary of Commerce to conduct a study of current and potential uses for post consumer materials, sets up an office of Recycling Research and Information and requires Federal agencies to purchase equipment and supplies containing recycled materials.

The second bill encourages recycling of waste tires by authorizing the Commerce Department to support research into innovative tire recycling technologies.

A third bill to be introduced by the Congressman would encourage composting by setting an example at the top, asking the White House and all governors' executive mansions to set up composting on the grounds of executive homes. "Composting is an ancient technology that could solve many of our modern day garbage problems," said the Congressman.

Since incineration is still used throughout the nation and the ash residue often buried, the Congressman introduced a fourth piece of legislation that would mandate that ash from solid waste incinerators be tested before it is buried in landfills. The bill would reverse a decision by the Bush Administration's Environmental Protection Agency which exempted incinerator ash from routine testing, a dangerous practice since ash can contain harmful contaminants such as heavy metals like lead and cadmium.

The environment is the economy on the east end



The Pine Barrens, watershed for the Peconic Bay Estuary system.

Peconic Bay now part of the National Estuary Program

The kickoff of the Peconic Bay National Estuary Program was celebrated April 19 at Southampton College with a press conference and the first official meeting of the policy committee of the estuary program.

Peconic was the 18th estuary to be admitted to the program, which recognizes estuaries of national significance and provides funds to study ways to preserve, protect and restore America's estuaries.

"On the east end, the environment is the economy and Peconic Bay is a good example of that," said the Congressman. "A decade ago a five million dollar a year shellfish industry employed hundreds of baymen. Last year the take was around \$10,000.

"The quickest way to find a solution to the brown tide and preserve and protect the bay is through the national estuary program," the Congressman said.

An initial grant of \$150,000 has been awarded, \$90,000 to the Suffolk County Department of Health Services and \$60,000 to the State Depart-

ment of Environmental Conservation. An additional \$100,000 in federal money will be awarded this year and at least \$400,000 more in federal funds for Fiscal Year 1994 which starts October 1. Peconic will also be funded in 1995 and 1996 and be eligible for other grants as well, now that it is an estuary of national significance.

Hard work has already begun to meet the initial deadline of July 1 to complete a management conference agreement and an annual workplan. Peconic Bay is an estuary system with significant recreational and commercial benefits and its protection is a top priority of Congressman Hochbrueckner.

Congress formally created the National Estuary Program in 1987 as part of the Clean Water Act and in 1988 Congressmen Hochbrueckner and Norman Lent nominated Peconic Bay for inclusion in the program. Despite the congressional action, it took an intensive four-year campaign until Peconic Bay was incorporated into the program in 1992.

Restoring our beaches after the nor'easter

Last December's nor'easter, followed by a series of unusually severe winter storms and high tides, changed the south shore barrier beach drastically. Over 80 homes were lost on in Westhampton Beach, two new inlets created and the dunes and road destroyed at the eastern end of Dune Road where the Shinnecock Fisherman's Coop is located.

Congressman Hochbrueckner met with state, local and Army Corps officials and visited the area several times to determine what could and should be done to restore the barrier beach and protect Moriches Bay and thousands of mainland homes from potential flooding. Emergency actions were approved and taken but a long-term solution is vitally needed.

The Army Corps completed the maintenance dredging of Shinnecock Inlet, part of its 50-year commitment to keep the inlet navigable for the

commercial fishing fleet. They dredged deeper than usual in order to provide the sand to restore the beach west of the west jetty so the road, restored by the town would be protected. Now the Coop is operating as are local restaurants.

On April 29 the Army Corps of Engineers awarded a \$5,770,000 contract to Great Lakes Dredge and Dock company to begin to work to close the breach named Little Pike's inlet. The bid came in under the anticipated cost and work begins this month. Final plans still need to be made for a long-term solution to protect the entire barrier beach and the south shore of Long Island. Hochbrueckner envisions that some areas of the barrier beach will be allowed to follow nature's way and continue to slowly roll toward Long Island, while other areas, based on past activity and investment, should be protected.

Working to promote existing jobs and create new ones

While Congressman George Hochbrueckner's primary duties are as a Representative voting on federal legislation in Washington and providing constituent services on Long Island, another area of great concern is protecting existing jobs while working to create new ones. Having worked in aerospace engineering for over 20 years, he is especially concerned about the large loss of technical jobs on Long Island due to the continuing decline in defense spending.

Hochbrueckner has been promoting his 4-point economic growth program (see the box below) for the past several years. Regarding Point 1, Maximizing Defense Dollars to Long Island, Hochbrueckner was recently successful in saving 400 technical jobs associated with the B-1 aircraft at AIL in Deer Park. Hochbrueckner's past efforts in saving the Grumman F-14 "Tomcat" along with thousands of Long Island Grumman jobs has proven to be a wise direction since the U.S. Navy is now requesting funds to upgrade 210 F-14 aircraft with minimum bomber capability. Hochbrueckner is promoting a more sophisticated attack version of the F-14 with greater capability. Also, Grumman, which provides four of the five major aircraft on our U.S. Navy aircraft carriers, is well positioned to win the AFX and JPATS, the next generation attack and trainer aircraft for the Navy and Air Force, respectively.

The Congressman is very pleased that President Clinton is strongly supportive of dual-use technology (Hochbrueckner point 2), i.e., spending defense dollars developing products that the military needs which have a commercial spinoff that can help make the U.S. more competitive in the world marketplace. President Clinton has directed nearly \$500 million be used for dual-use technology development and deployment this year.

On Point 3, Diversifying Companies and Retraining Workers, several billion dollars of the defense budget both this year and next will be utilized to help many aerospace companies and laid-off technical people transition into civilian product areas. On Point 4, Accelerating Construction Jobs, the five-year highway bill passed in the last Congress authorized \$121 billion for road and bridge repair as well as mass transit. Unfortunately, the \$3 billion of funding proposed in President Clinton's stimulus package was blocked through a Senate filibuster. At present over half our Long Island

construction workers are unemployed.

Hochbrueckner will continue to promote his 4-point economic growth plan and is especially pleased that the Clinton Administration recognizes the value of dual-use technologies as the best way to create private-sector jobs as many areas like Long Island move from their military aerospace base to civilian aerospace. While Congressman Hochbrueckner concedes that nothing stays the same, he believes that the smoothest transition for Long Island is to use the strong technical skills of our aerospace community to continue to meet the valid military equipment needs of our country as we redirect our surplus capacity to commercial products.

CALL 800 DUAL USE

Nearly \$500 million dollars is now available in grants associated with technology reinvestment programs. Individuals and companies interested in obtaining a grant in order to develop and deploy technologies for commercial products can receive a solicitation booklet by calling 800-DUAL USE. Deadline for submission of grant proposals is July 23 and initial awards will be made in the fall. Those interested should call as soon as possible.

A New Economic Direction For America "Borrow and Spend" Must End

For the past 12 years, our country has embraced a "borrow and spend" economic policy that has quadrupled our total national debt so that every American's share is now \$16,000 compared to \$4,000 in 1980. The large tax cuts in 1981, with most of the benefits going to the wealthy, coupled with the dramatic increases in defense spending, did stimulate the economy under the "trickle down" policy. However, revenues coming from the stimulated economy fell far short of defense and domestic spending.

In their annual proposed federal budgets to the Congress, Presidents Reagan and Bush requested and the Congress supported spending hundreds of billions of dollars more than the anticipated revenue. These annual deficits added to the national debt each year and dramatically increased the interest paid on that national debt as illustrated by the following table of related data:

Year	President	Deficit	Nat'l Debt	Int. on Debt	Fed. Wkrs
1980	Carter	\$ 74B	\$ 908B	\$ 53B	2,907,289
1992	Bush	\$290B	\$ 4,002B	\$200B	3,081,741

In 1992 the federal deficit was \$290 billion with \$200 billion of it being interest on the national debt. "Borrow and spend" must end. Because the future projected deficits are now larger than anticipated, President Clinton has modified his 3-point deficit reduction program as follows: (1) CUT FEDERAL SPENDING - \$249 billion over the next 5 years, cutting 200 specific programs including elimination of over 200 commissions and advisory committees; (2) INCREASE TAXES - \$247 billion over the next 5 years with virtually all Americans sharing the pain with the wealthy bearing about 70% of the increases, thus restoring the tax fairness that was lost in the early 1980s; (3) STIMULATE THE ECONOMY - the real key to reducing the deficit is to restore a vibrant economy, taking people off unemployment and welfare and putting them back to work earning salaries and paying taxes.

The spending cuts and tax increase programs are now being worked through the Congress; however, the stimulus program was stopped by a filibuster in the Senate.

HOCHBRUECKNER'S 4 POINT LI ECONOMIC GROWTH PLAN

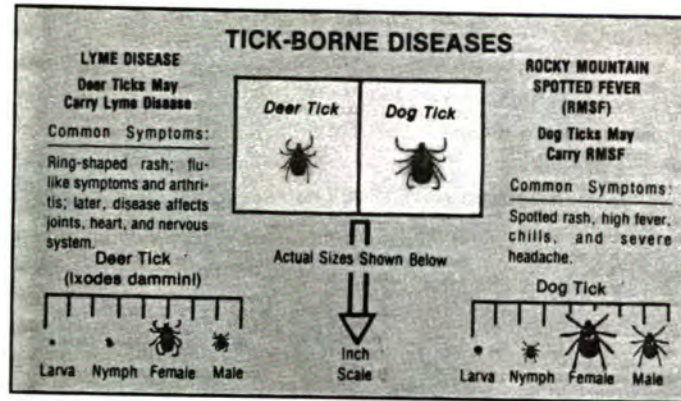
1. Maximize the amount of defense dollars coming to Long Island for the conventional weapons systems the military will continue to need.
2. Direct defense research and development (R&D) funds to programs and products that have commercial as well as military value to help us be more competitive in the world marketplace.
3. Continue programs that provide federal funding to help defense-oriented companies to diversify into commercial products and programs that retrain laid-off workers.
4. Accelerate construction jobs on Long Island by expediting the funds to improve and rebuild our Nation's roads and bridges.

Lyme Disease: Protect and Check

Starting June 5, Congress will note Lyme Disease Awareness Week with a variety of activities to educate the public to the fact that Lyme disease is the most frequently reported tick-borne disease in the United States, reported in every state except Montana and Alaska, and to advise the public on the federal government's involvement in producing a solution.

While the disease does occur nationwide, 40 percent of all cases come from New York State, the majority of them from Suffolk County. That is why for the past six years Congressman Hochbrueckner has been fighting successfully for funding to increase Lyme disease research at both the Centers for Disease Control and the National Institutes of Health, and promoting education.

Through the efforts of the Congressman, Long Islanders can now purchase the permethrin-based insect repellent which has been approved by the Environmental Protec-



Courtesy of U.S. Army Medical Department

tion Agency (EPA) and New York State. This spray must be used only on clothing not on the skin. Used in combination with a long-acting Deet-based lotion on the skin, this can provide very effective protection against the tick. The Congressman has worked to assure local availability of these products, so if you can't find them, call 689-6767 or write to Congressman Hochbrueckner's Centereach office.

The key words are "protect and check," "protect" meaning to protect yourself by wearing protective clothing and repellents and "check" meaning check yourself, your children and your pets as soon as you get home. Checking is important because most

experts believe the tick must be attached for more than 24 hours to transmit the disease.

Lyme disease is caused by spirochetal bacteria that are spread by several varieties of ticks, most often the deer tick. The inset illustration shows the size of the deer tick compared to the common dog tick. Although there have been recent important strides in finding an effective vaccine, none is currently available, which is why prevention is so important.

Symptoms of Lyme disease in its early stages include a rash at the site of the tick bite (in about 60 percent of the cases), headaches, fever, pains in joints and swollen glands. If detected in the early stages, Lyme disease can be effectively treated with antibiotics. Left untreated, Lyme disease can cause a variety of serious and chronic illnesses, so prompt medical care is important.

Why We Need a National Health Care System

Nearly 40 million Americans do not have health insurance coverage today. Nearly as many are dangerously under-insured and one serious illness or accident away from financial disaster. Indeed one of today's ironies is that many young working people have money automatically deducted from their paychecks for Medicare coverage while receiving no health coverage at all for themselves. This is why any proposal to reform American health care must make quality health care accessible and affordable for everyone.

One such proposal is H.R. 1200, introduced in the last Congress by Representative Marty Russo of Illinois and in this session by Congressman Jim McDermott. Congressman Hochbrueckner has been a co-sponsor of both bills because he believes health care insurance must be

portable, stable, and continuous. He also believes that health care costs must be contained and administrative expenses reduced through a single payer plan. At the same time, American citizens should continue to have the right to choose their own physicians and hospitals, and the right to make serious medical decisions with their doctors. People should also be free to make decisions on where to work and change jobs based on what's best for them and their families, not on their health insurance.

Congressman Hochbrueckner is optimistic that in 1993 there will be a major change for the better and he is looking forward to learning the details of President Clinton's proposal for revamping our nation's health care system.

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House of Representatives
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First Congressional District Report

THE WHITE HOUSE
WASHINGTON



DATE: 06/10/93

NOTE FOR: SECRETARY HENRY CISNEROS

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:

chron

SECRETARY OF LABOR
WASHINGTON

93 MAY 6 P4:32

THE PRESIDENT

6/10/93

Carano / C. Currier

MEMORANDUM TO THE PRESIDENT

FROM: BOB REICH

DATE: April 21, 1993

Worth reading.

The Prosperous Community

Social Capital and Public Life

Robert D. Putnam

Your corn is ripe today; mine will be so tomorrow. 'Tis profitable for us both, that I should labour with you today, and that you should aid me tomorrow. I have no kindness for you, and know you have as little for me. I will not, therefore, take any pains upon your account; and should I labour with you upon my own account, in expectation of a return, I know I should be disappointed, and that I should in vain depend upon your gratitude. Here then I leave you to labour alone; You treat me in the same manner. The seasons change; and both of us lose our harvests for want of mutual confidence and security.

—David Hume

The predicament of the farmers in Hume's parable is all too familiar in communities and nations around the world:

- Parents in communities everywhere want better educational opportunities for their children, but collaborative efforts to improve public schools falter.
- Residents of American ghettos share an interest in safer streets, but collective action to control crime fails.
- Poor farmers in the Third World need more effective irrigation and marketing schemes, but cooperation to these ends proves fragile.
- Global warming threatens livelihoods from Manhattan to Mauritius, but joint action to forestall this shared risk founders.

Failure to cooperate for mutual benefit does not necessarily signal ignorance or irrationality or even malevolence, as philosophers since Hobbes have under-

scored. Hume's farmers were not dumb, or crazy, or evil; they were trapped. Social scientists have lately analyzed this fundamental predicament in a variety of guises: the tragedy of the commons; the logic of collective action; public goods; the prisoners' dilemma. In all these situations, as in Hume's rustic anecdote, everyone would be better off if everyone could cooperate. In the absence of coordination and credible mutual commitment, however, everyone defects, ruefully but rationally, confirming one another's melancholy expectations.

How can such dilemmas of collective action be overcome, short of creating some Hobbesian Leviathan? Social scientists in several disciplines have recently suggested a novel diagnosis of this problem, a diagnosis resting on the concept of *social capital*. By analogy with notions of physical capital and human capital—tools and training that enhance individual productivity—"social capital" refers to features of social organization, such as networks, norms, and trust,

that facilitate coordination and cooperation for mutual benefit. Social capital enhances the benefits of investment in physical and human capital.

Working together is easier in a community blessed with a substantial stock of social capital. This insight turns out to have powerful practical implications for many issues on the American national agenda—for how we might overcome the poverty and violence of South Central Los Angeles, or revitalize industry in the Rust Belt, or nurture the fledgling democracies of the former Soviet empire and the erstwhile Third World. Before spelling out these implications, however, let me illustrate the importance of social capital by recounting an investigation that several colleagues and I have conducted over the last two decades on the seemingly arcane subject of regional government in Italy.

Lessons from an Italian Experiment

Beginning in 1970, Italians established a nationwide set of potentially powerful regional governments. These 20 new institutions were virtually identical in form, but the social, economic, political, and cultural contexts in which they were implanted differed dramatically, ranging from the preindustrial to the postindustrial, from the devoutly Catholic to the ardently Communist, from the inertly feudal to the frenetically modern. Just as a botanist might investigate plant development by measuring the growth of genetically identical seeds sown in different plots, we sought to understand government performance by studying how these new institutions evolved in their diverse settings.

As we expected, some of the new governments proved to be dismal failures—inefficient, lethargic, and corrupt. Others have been remarkably successful, however, creating innovative day care programs and job-training centers, promoting investment and economic development, pioneering environmental standards and family clinics—managing the public's business efficiently and satisfying their constituents.

What could account for these stark differences in quality of government? Some seemingly obvious answers turned out to be irrelevant. Government organization is too similar from region to region for that to explain the contrasts in performance. Party politics or ideology makes little difference. Affluence and prosperity have no direct effect. Social stability or political harmony or population movements are not the key. None of these factors is correlated with good government as we had anticipated. Instead, the best predictor is one that Alexis de Tocqueville might have expected. Strong traditions of civic engagement—voter turnout, newspaper readership, membership in choral societies and literary circles, Lions Clubs, and soccer clubs—are the hallmarks of a successful region.

Some regions of Italy, such as Emilia-Romagna and Tuscany, have many active community organizations. Citizens in these regions are engaged by public issues, not by patronage. They trust one another to act fairly and obey the law. Leaders in these communities are relatively honest and committed to equality. Social and political networks are organized horizontally, not hierarchically. These "civic communities" value solidarity, civic participation, and integrity. And here democracy works.

At the other pole are "uncivic" regions, like Calabria and Sicily, aptly characterized by the French term *incivisme*. The very concept of citizenship is stunted there. Engagement in social and cultural associations is meager. From the point of view of the inhabitants, public affairs is somebody else's business—*i notabili*, "the bosses," "the politicians"—but not theirs. Laws, almost everyone agrees, are made to be broken, but fearing others' lawlessness, everyone demands sterner discipline. Trapped in these interlocking vicious circles, nearly everyone feels powerless, exploited, and unhappy. It is hardly surprising that representative government here is less effective than in more civic communities.

The historical roots of the civic community are astonishingly deep. Enduring

traditions of civic involvement and social solidarity can be traced back nearly a millennium to the eleventh century, when communal republics were established in places like Florence, Bologna, and Genoa, exactly the communities that today enjoy civic engagement and successful government. At the core of this civic heritage are rich networks of organized reciprocity and civic solidarity—guilds, religious fraternities, and tower societies for self-defense in the medieval communes; cooperatives, mutual aid societies, neighborhood associations, and choral societies in the twentieth century.

These communities did not become civic simply because they were rich. The historical record strongly suggests precisely the opposite: They have become rich because they were civic. The social capital embodied in norms and networks of civic engagement seems to be a precondition for economic development, as well as for effective government. Development economists take note: Civics matters.

How does social capital undergird good government and economic progress? First, networks of civic engagement foster sturdy norms of generalized reciprocity: I'll do this for you now, in the expectation that down the road you or someone else will return the favor. "Social capital is akin to what Tom Wolfe called the 'favor bank' in his novel, *The Bonfire of the Vanities*," notes economist Robert Frank. A society that relies on generalized reciprocity is more efficient than a distrustful society, for the same reason that money is more efficient than barter. Trust lubricates social life.

Networks of civic engagement also facilitate coordination and communication and amplify information about the trustworthiness of other individuals. Students of prisoners' dilemmas and related games report that cooperation is most easily sustained through repeat play. When economic and political dealing is embedded in dense networks of social interaction, incentives for opportunism and malfeasance are reduced. This is why the

diamond trade, with its extreme possibilities for fraud, is concentrated within close-knit ethnic enclaves. Dense social ties facilitate gossip and other valuable ways of cultivating reputation—an essential foundation for trust in a complex society.

Finally, networks of civic engagement embody past success at collaboration, which can serve as a cultural template for future collaboration. The civic traditions of

Communities in north-central Italy did not become civic because they were rich. They became rich because they were civic.

north-central Italy provide a historical repertoire of forms of cooperation that, having proved their worth in the past, are available to citizens for addressing new problems of collective action.

Sociologist James Coleman concludes, "Like other forms of capital, social capital is productive, making possible the achievement of certain ends that would not be attainable in its absence. . . . In a farming community. . . where one farmer got his hay baled by another and where farm tools are extensively borrowed and lent, the social capital allows each farmer to get his work done with less physical capital in the form of tools and equipment." Social capital, in short, enables Hume's farmers to surmount their dilemma of collective action.

Stocks of social capital, such as trust, norms, and networks, tend to be self-reinforcing and cumulative. Successful collaboration in one endeavor builds connections and trust—social assets that facilitate future collaboration in other, unrelated tasks. As with conventional capital, those who have social capital tend to accumulate more—they as has, gets. Social capital is what the social philosopher Albert O. Hirschman calls a "moral resource," that is, a resource whose supply increases rather than decreases through use and which (un-

like physical capital) becomes depleted if not used.

Unlike conventional capital, social capital is a "public good," that is, it is not the private property of those who benefit from it. Like other public goods, from clean air to safe streets, social capital tends to be underprovided by private agents. This means that social capital must often be a by-product of other social activities. Social capital typically consists in ties, norms, and trust transferable from one social setting to another. Members of Florentine choral societies participate because they like to sing, not because their participation strengthens the Tuscan social fabric. But it does.

Social Capital and Economic Development

Social capital is coming to be seen as a vital ingredient in economic development around the world. Scores of studies of rural development have shown that a vigorous network of indigenous grassroots associations can be as essential to growth as physical investment, appropriate technology, or (that nostrum of neoclassical economists) "getting prices right." Political scientist Elinor Ostrom has explored why some cooperative efforts to manage common pool resources, like grazing grounds and water supplies, succeed, while others fail. Existing stocks of social capital are an important part of the story. Conversely, government interventions that neglect or undermine this social infrastructure can go seriously awry.

Studies of the rapidly growing economies of East Asia almost always emphasize the importance of dense social networks, so that these economies are sometimes said to represent a new brand of "network capitalism." These networks, often based on the extended family or on close-knit ethnic communities like the overseas Chinese, foster trust, lower transaction costs, and speed information and innovation. Social capital can be transmuted, so to speak, into financial capital: In novelist Amy Tan's *Joy Luck Club*, a group of mah-jong-playing friends evolves into a joint investment association.

China's extraordinary economic growth over the last decade has depended less on formal institutions than on *guanxi* (personal connections) to underpin contracts and to channel savings and investment.

Social capital, we are discovering, is also important in the development of advanced Western economies. Economic sociologist Mark Granovetter has pointed out that economic transactions like contracting or job searches are more efficient when they are embedded in social networks. It is no accident that one of the pervasive stratagems of ambitious yuppies is "networking." Studies of highly efficient, highly flexible "industrial districts" (a term coined by Alfred Marshall, one of the founders of modern economics) emphasize networks of collaboration among workers and small entrepreneurs. Such concentrations of social capital, far from being paleo-industrial anachronisms, fuel ultra-modern industries from the high tech of Silicon Valley to the high fashion of Benetton. Even in mainstream economics the so-called "new growth theory" pays more attention to social structure (the "externalities of human capital") than do conventional neoclassical models. Robert Lucas, a founder of "rational expectations" economics, acknowledges that "human capital accumulation is a fundamentally social activity, involving groups of people in a way that has no counterpart in the accumulation of physical capital."

The social capital approach can help us formulate new strategies for development. For example, current proposals for strengthening market economies and democratic institutions in the formerly Communist lands of Eurasia center almost exclusively on deficiencies in financial and human capital (thus calling for loans and technical assistance). However, the deficiencies in social capital in these countries are at least as alarming. Where are the efforts to encourage "social capital formation"? Exporting PTAs or Kiwanis clubs may seem a bit far-fetched, but how about patiently reconstructing those shards of indigenous civic associations that have survived decades of

totalitarian rule.

Historian S. Frederick Starr, for example, has drawn attention to important fragments of civil society—from philanthropic agencies to chess clubs—that persist from Russia's "usable past." (Such community associations provide especially valuable social capital when they cross ethnic or other cleavage lines.)

Closer to home, Bill Clinton's proposals for job-training schemes and industrial extension agencies invite attention to social capital. The objective should not be merely an assembly-line injection of booster shots of technical expertise and work-related skills into individual firms and workers. Rather, such programs could provide a matchless opportunity to create productive new linkages among community groups, schools, employers, and workers, without creating costly new bureaucracies. Why not experiment with modest subsidies for training programs that bring together firms, educational institutions, and community associations in innovative local partnerships? The latent effects of such programs on social capital accumulation could prove even more powerful than the direct effects on technical productivity.

Conversely, when considering the effects of economic reconversion on communities, we must weigh the risks of destroying social capital. Precisely because social capital is a public good, the costs of closing factories and destroying communities go beyond the personal trauma borne by individuals. Worse yet, some government programs themselves, such as urban renewal and public housing projects, have heedlessly ravaged existing social networks. The fact that these collective costs are not well measured by our current accounting schemes does not mean that they are not real. Shred enough of the social fabric and we all pay.

Social Capital and America's Ills

Fifty-one deaths and \$1 billion dollars in property damage in Los Angeles last year put urban decay back on the American

agenda. Yet if the ills are clear, the prescription is not. Even those most sympathetic to the plight of America's ghettos are not persuaded that simply reviving the social programs dismantled in the last decade or so will solve the problems. The erosion of social capital is an essential and under-appreciated part of the diagnosis.

Although most poor Americans do not reside in the inner city, there is something qualitatively different about the social and economic isolation experienced by the chronically poor blacks and Latinos who do. Joblessness, inadequate education, and poor health clearly truncate the opportunities of ghetto residents. Yet so do profound deficiencies in social capital.

Part of the problem facing blacks and Latinos in the inner city is that they lack "connections" in the most literal sense. Job-seekers in the ghetto have little access, for example, to conventional job referral networks. Labor economists Anne Case and Lawrence Katz have shown that, regardless of race, inner-city youth living in neighborhoods blessed with high levels of civic engagement are more likely to finish school, have a job, and avoid drugs and crime, controlling for the individual characteristics of the youth. That is, of two identical youths, the one unfortunate enough to live in a neighborhood whose social capital has eroded is more likely to end up hooked, booked, or dead. Several researchers seem to have found similar neighborhood effects on the incidence of teen pregnancy, among both blacks and whites, again controlling for personal characteristics. Where you live and whom you know—the social capital you can draw on—helps to define who you are and thus to determine your fate.

Racial and class inequalities in access to social capital, if properly measured, may be as great as inequalities in financial and human capital, and no less portentous. Economist Glenn Loury has used the term "social capital" to capture the fundamental fact that racial segregation, coupled with socially inherited differences in community networks and norms, means that in-

dividually targeted "equal opportunity" policies may not eliminate racial inequality, even in the long run. Research suggests that the life chances of today's generation depend not only on their parents' social resources, but also on the social resources of their parents' ethnic group. Even workplace integration and upward mobility by successful members of minority groups cannot overcome these persistent effects of inequalities in social capital. William Julius Wilson has described in tragic detail how the exodus of middle-class and working-class families from the ghetto has eroded the social capital available to those left behind. The settlement houses that nurtured sewing clubs and civic activism a century ago, embodying community as much as charity, are now mostly derelict.

It would be a dreadful mistake, of course, to overlook the repositories of social capital within America's minority communities. The neighborhood restaurant eponymously portrayed in Mitchell Duneier's recent *Slim's Table*, for example, nurtures fellowship and intercourse that enable blacks (and whites) in Chicago's South Side to sustain a modicum of collective life. Historically, the black church has been the most bounteous treasure-house of social capital for African Americans. The church provided the organizational infrastructure for political mobilization in the civil rights movement. Recent work on American political participation by political scientist Sidney Verba and his colleagues shows that the church is a uniquely powerful resource for political engagement among blacks—an arena in which to learn about public affairs and hone political skills and make connections.

In tackling the ills of America's cities, investments in physical capital, financial capital, human capital, and social capital are complementary, not competing alternatives. Investments in jobs and education, for example, will be more effective if they are coupled with reinvigoration of

community associations.

Some churches provide job banks and serve as informal credit bureaus, for example, using their reputational capital to vouch for members who may be ex-convicts, former drug addicts, or high school dropouts. In such cases the church does not merely provide referral networks. More fundamentally, wary employers and financial institutions bank on the church's ability to identify parishioners whose formal credentials understate their reliability. At the same time, because these parishioners value their standing in the church, and because the church has put its own reputation on the line, they have an additional incentive to perform. Like conventional capital for conventional borrowers, social capital serves as a kind of collateral for men and women who are excluded from ordinary credit or labor markets. In effect, the participants pledge their social connections, leveraging social capital to improve the efficiency with which markets operate.

The importance of social capital for America's domestic agenda is not limited to minority communities. Take public education, for instance. The success of private schools is attributable, according to James Coleman's massive research, not so much to what happens in the classroom nor to the endowments of individual students, but rather to the greater engagement of parents and community members in private school activities. Educational reformers like child psychologist James Comer seek to improve schooling not merely by "treating" individual children but by deliberately involving parents and others in the educational process. Educational policymakers need to move beyond debates about curriculum and governance to consider the effects of social capital. Indeed, most commonly discussed proposals for "choice" are deeply flawed by their profoundly individualist conception of education. If states and localities are to experiment with voucher systems for education or child care, why not encourage vouchers to be

spent in ways that strengthen community organization, not weaken it? Once we recognize the importance of social capital, we ought to be able to design programs that creatively combine individual choice with collective engagement.

Many people today are concerned about revitalizing American democracy. Although discussion of political reform in the United States focuses nowadays on such procedural issues as term limits and campaign financing, some of the ills that afflict the American polity reflect deeper, largely unnoticed social changes.

"Some people say that you usually can trust people. Others say that you must be wary in relations with people. Which is your view?" Responses to this question, posed repeatedly in national surveys for several decades, suggest that social trust in the United States has declined for more than a quarter century. By contrast, American politics benefited from plentiful stocks of social capital in earlier times. Recent historical work on the Progressive Era, for example, has uncovered evidence of the powerful role played by nominally non-political associations (such as women's literary societies) precisely because they provided a dense social network. Is our current predicament the result of a long-term erosion of social capital, such as community engagement and social trust?

Economist Juliet Schorr's discovery of "the unexpected decline of leisure" in America suggests that our generation is less engaged with one another outside the marketplace and thus less prepared to cooperate for shared goals. Mobile, two-career (or one-parent) families often must use the market for child care and other services formerly provided through family and neighborhood networks. Even if market-based services, considered individually, are of high quality, this deeper social trend is eroding social capital. There are more empty seats at the PTA and in church pews these days. While celebrating

the productive, liberating effects of fuller equality in the workplace, we must replace the social capital that this movement has depleted.

Our political parties, once intimately coupled to the capillaries of community life, have become evanescent confections of pollsters and media consultants and independent political entrepreneurs—the very antithesis of social capital. We have too easily accepted a conception of democracy in which public policy is not the outcome of a collective deliberation about the public interest, but rather a residue of campaign strategy. The social capital approach, focusing on the indirect effects of civic norms and networks, is a much-needed corrective to an exclusive emphasis on the formal institutions of government as an explanation for our collective discontents. If we are to make our political system more responsive, especially to those who lack connections at the top, we must nourish grass-roots organization.

Classic liberal social policy is designed to enhance the opportunities of *individuals*, but if social capital is important, this emphasis is partially misplaced. Instead we must focus on community development, allowing space for religious organizations and choral societies and Little Leagues that may seem to have little to do with politics or economics. Government policies, whatever their intended effects, should be vetted for their indirect effects on social capital. If, as some suspect, social capital is fostered more by home ownership than by public or private tenancy, then we should design housing policy accordingly. Similarly, as Theda Skocpol has suggested, the direct benefits of national service programs might be dwarfed by the indirect benefits that could flow from the creation of social networks that cross class and racial lines. In any comprehensive strategy for improving the plight of America's communities, rebuilding social capital is as important as investing in human and physical capital.

Throughout the Bush administration, community self-reliance—"a thousand

points of light"—too often served as an ideological fig leaf for an administration that used the thinness of our public wallet as an alibi for a lack of political will. Conservatives are right to emphasize the value of intermediary associations, but they misunderstand the potential synergy between private organization and the government. *Social capital is not a substitute for effective public policy but rather a prerequisite for it and, in part, a consequence of it.* Social capital, as our Italian study suggests, works through and with states and markets, not in place of them. The social capital approach is neither an argument for cultural determinism nor an excuse to blame the victim.

Wise policy can encourage social capital formation, and social capital itself enhances the effectiveness of government action. From agricultural extension services in the last century to tax exemptions for community organizations in this one, American government has often promoted investments in social capital, and it must renew that effort now. A new administration that is, at long last, more willing to use public power and the public purse for public purpose should not overlook the importance of social connectedness as a vital backdrop for effective policy.

Students of social capital have only begun to address some of the most important questions that this approach to public affairs suggests. What are the actual trends in different forms of civic engagement? Why do communities differ in their stocks of social capital? What kinds of civic engagement seem most likely to foster economic growth or community effectiveness? Must specific types of social capital be matched to different public problems? Most important of all, how is social capital created and destroyed? What strategies for building (or rebuilding) social capital are most promising? How can we balance the twin strategies of exploiting existing social capital and creating it afresh? The suggestions scattered throughout this essay are intended to challenge others to

even more practical methods of encouraging new social capital formation and leveraging what we have already.

We also need to ask about the negative effects of social capital, for like human and physical capital, social capital can be put to bad purposes. Liberals have often sought to destroy some forms of social capital (from medieval guilds to neighborhood schools) in the name of individual opportunity. We have not always reckoned with the indirect social costs of our policies, but we were often right to be worried about the power of private associations. Social inequalities may be embedded in social capital. Norms and networks that serve some groups may obstruct others, particularly if the norms are discriminatory or the networks socially segregated. Recognizing the importance of social capital in sustaining community life does not exempt us from the need to worry about how that community is defined—who is inside and thus benefits from social capital, and who is outside and does not. Some forms of social capital can impair individual liberties, as critics of communitarianism warn. Many of the Founders' fears about the "mischiefs of faction" apply to social capital. Before toting up the balance sheet for social capital in its various forms, we need to weigh costs as well as benefits. This challenge still awaits.

Progress on the urgent issues facing our country and our world requires ideas that bridge outdated ideological divides. Both liberals and conservatives agree on the importance of social empowerment, as E. J. Dionne recently noted ("The Quest for Community (Again)," *TAP*, Summer 1992). The social capital approach provides a deeper conceptual underpinning for this nominal convergence. Real progress requires not facile verbal agreement, but hard thought and ideas with high fiber content. The social capital approach promises to uncover new ways of combining private social infrastructure with public policies that work, and, in turn, of using wise public policies to revitalize America's stocks of social capital.

THE WHITE HOUSE

WASHINGTON

June 8, 1993

MEMORANDUM FOR THE PRESIDENT

FROM: JOHN PODESTA *JP*

SUBJECT: BILL SIGNINGS

We have two enrolled bills pending for which bill signings might be warranted. Congressman Waxman has asked for a bill signing of the National Institute of Health Authorization (see attached Paster memo). Howard recommends a low-key signing ceremony with 10-12 key members of Congress.

Also pending is the National Cooperative Production Amendments of 1993 which amends the antitrust laws to ease the creation of production joint ventures. The bill was introduced by Congressman Brooks and Senator Leahy. It was an important part of your technology strategy paper released during the campaign as well as part of a technology strategy you released in February. It has strong bipartisan support and strong support in the high-tech community. We could bring in some business leaders along with Congressional sponsors for a signing. Both bills have to be signed this week.

Attachment

THE WHITE HOUSE

WASHINGTON

June 3, 1993

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MEMORANDUM FOR JOHN PODESTA

FROM: HOWARD PASTER *HP*

SUBJECT: NIH BILL SIGNING

Representative Henry Waxman called personally to ask for a public bill signing for the NIH authorization. His argument is that the bill is significant in several ways, i.e. centralizing AIDS research, advancing women's health issues, etc. The bill contains the statutory repeal of the ban on fetal tissue research, an issue that did NOT divide along right to life and right to choice sides. The only obvious negative is that the bill does contain the ban on the permanent immigration of individuals who test HIV positive, and there is the obvious reluctance to bring that back to headlines.

I recommend we do a modest Oval Office bill signing early next week with 10-12 key Members of Congress, and would be grateful if you would test this idea with others.

In any event, I have specific requests for bill signing pens from Waxman and Representative Fred Upton and anticipate more such requests. However the bill is signed, please make sure we have multiple pens available.

Thanks very much.

The White House

Office of the Press Secretary

For Immediate Release

March 11, 1993

Text of Statement for President Clinton
on Introduction of Production Joint Venture Bill

I want to commend Chairman Jack Brooks, Senator Patrick Leahy, Chairman Joe Biden and the bi-partisan leadership of the House and Senate Judiciary Committees on the introduction today of an important new bill to help create jobs and build a more competitive, hi-tech American economy. This bill -- the National Cooperative Production Amendments of 1993 -- will pave the way for companies large and small to pool their resources and talents in new joint production ventures. It is just the kind of forward thinking initiative we need to drive our economy toward a decade of creative change.

We live in a world in which our competitive advantage flows more and more from our command of high technology, but in which the development and production of hi-tech products has become enormously expensive. It is altogether appropriate to lift the legal barriers that prevent good companies from playing to win in the global market -- provided, of course, that our antitrust laws continue to prevent improper collusion. Now is the time -- as we work together to turn this nation in a new direction -- to strip away outdated impediments to our growth and potential.

I look forward to working with Chairman Brooks, Chairman Biden, Senator Leahy and their colleagues on this important legislation.