

THE WHITE HOUSE
WASHINGTON

DATE: 6/17

NOTE FOR:

Jack Gibbons Bo Citter

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:

(6/17/93)

✓
THE WHITE HOUSE
WASHINGTON

Ann Richards

wld go to Japan
to get \$ for SSC -
if Monahan can
help, can get \$ for -

wants Monahan
to visit SSC -
not a bad idea -

B₂

chion

THE WHITE HOUSE
WASHINGTON

DATE: 6/17/93

NOTE FOR:

VICE PRESIDENT
MACK McLARTY
KATIE McGINTY

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 PRESIDENT HAS SEEN

6.17.93

cc: ~~John W. Ahlen~~ (Gail) Ahlen
VP-

✓
TO: The President
FROM: John W. Ahlen, (O: 501-324-9006, H: 501-851-6965) *ja*
DATE: June 10, 1993
SUBJ: Alaska, Bill Clinton, and the Arctic National
Wildlife Refuge (ANWR)

I wish that I was in a position to help more directly with the things on your agenda, but I am able to pass on information that may be of interest. I hope its useful. (At Maria Hailey's suggestion, I am forwarding a copy of this memo to Jim Bailey.)

I attended the Energy Council meeting in Anchorage during the first week of June. While there I (1) heard from Alaskans about your administration and (2) had the opportunity to look into an important energy issue.

Alaskans ask everybody where they are from. After I mentioned that I was from Arkansas, they would volunteer what they thought about current national issues. In general, they are pretty conservative. The people I spoke with hoped that you will find a way to deal with the budget deficit, but they didn't understand your position on gays in the military, were opposed to Btu and energy taxes, and wanted to open ANWR to petroleum exploration and production.

It is the last of these issues that I examined. One can not attend an energy meeting in Alaska without hearing about ANWR. It is an important issue for Alaskans and I understand their position that one has to see and experience Alaska to fully understand the issue. The Arctic is uniquely Alaskan among the states. It is a different and fragile environment, it is unimaginably vast, and it is a real frontier.

You should be cautious about advice on ANWR that comes from advisors who have not been to, and seen first hand, this part of the country.

The following is a sample of what was said by Alaskans who addressed the Energy Council.

First, Alaska Governor Wally Hickel, a former US Secretary of the Interior, gave a thoughtful welcome to the Energy Council, focusing primarily on the future of the Arctic National Wildlife Refuge (ANWR). His major points were:

- ANWR is the most exciting opportunity for on-shore petroleum production in the US.

- At ANWR, it is possible to balance the needs of mankind and nature.
- We need to protect future access to ANWR, to do otherwise will be disastrous public policy.
- Look at Prudhoe Bay. It is the most environmentally conscious petroleum production facility in the world.
- New Arctic technology is allowing shrinkage of the drilling "footprint" and further improving the balance between energy and the environment.
- This exploration and production effort in Alaska will become the pattern for the world.
- He wishes President Clinton well in his effort to revitalize the American economy, but this will not happen without a revitalized national energy policy.
- We're a rich country, but we're thinking poor.

Paul Fuhs, Commissioner of the Alaska Department of Commerce and Economic Development, addressed the following:

- The energy industry in Alaska provides 85 percent of state revenue.
- US regulatory and statutory initiatives are driving industry abroad.
- By not producing domestically, say at ANWR, we are driving production to Russia, which has a much less stringent regulatory environment. [I'm enclosing a copy of a poster Fuhs distributed. It is a composite satellite photo of the north pole and shows Alaska from a different perspective than we normally see. Chelsea might get a kick out of it.]
- We in the US are making our regulatory risk higher than the political risk of doing business abroad.

Fuhs also discussed the question of, "How are we dealing with the Clinton Administration?" He said that they frankly shuddered at the first appointments, but they recognize that the President must produce on campaign promises for economic development. In this regard, Fuhs said, petroleum is a winner; it can help the US balance of trade, especially with Asia. Administration Secretaries Brown and O'Leary appear

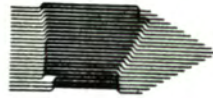
to be interested in getting the states involved in developing and implementing policy.

With respect to state involvement, Terence Thorn, of Euron Corporation, briefly addressed the importance of states in setting policy. He started by saying that the states are more important now than ever and he thinks that there are three reasons for this:

1. President Clinton is the first President elected in the post-cold-war era, which means he is the first president without the cold war to rally the public behind.
2. Congress has been fighting with the administration for 12 years, so it is not accustomed to cooperating with the administration.
3. More and more programs have been pushed to the states.

Lastly, I learned a few things during a field trip to Prudhoe Bay, on Alaska's North Slope. There have been real advances in Arctic technology and the level of understanding of the effects of production on the environment. The footprint needed for drilling operations has gotten smaller, thereby reducing the environmental impact. The industry does a good job complying with environmental regulation. Caribou not only still calve at Prudhoe Bay, but the size of the herd has increased. All in all, I am convinced that ANWR's coastal plain, which is similar to Prudhoe Bay, could be opened to petroleum exploration and production with very little environmental risk.

pc: Jim Bailey



ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY
100 Main Street, Suite 450, Little Rock, Arkansas 72201

John W. Ahlen, Ph.D.
President

(501) 324-9006
Fax (501) 324-9012



THE WHITE HOUSE

WASHINGTON

June 16, 1993

83 JUN 16 P9:47

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT E. RUBIN 

SUBJECT: **Enclosed Presidential Decision Directive Establishing the Small Business Administration as a Member of the NEC**

- I. **BACKGROUND INFORMATION:** The enclosed Presidential Decision Directive/NEC-4 formally establishes Small Business Administration membership on the National Economic Council. This PDD responds to a request from the Administrator of the Small Business Administration and reflects the important role of small business in the United States economy.
- II. **RECOMMENDATION:** You have indicated to the SBA Administrator, Erskine Bowles, that you want the SBA involved in the development of economic policies that affect small business and I agree that the SBA's involvement is important. The recommendation is that you sign this Presidential Decision Directive, formally establishing SBA membership in the NEC.

III. **DECISION:**

☒ Approve ☐ Approve as amended ☐ Reject ☐ No action

THE WHITE HOUSE

WASHINGTON

June 16, 1993

PRESIDENTIAL DECISION DIRECTIVE/NEC-4

TO: THE VICE PRESIDENT
THE SECRETARY OF STATE
THE SECRETARY OF THE TREASURY
THE SECRETARY OF DEFENSE
THE SECRETARY OF AGRICULTURE
THE SECRETARY OF COMMERCE
THE SECRETARY OF LABOR
THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT
THE SECRETARY OF TRANSPORTATION
THE SECRETARY OF ENERGY
THE DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET
THE CHAIR OF THE COUNCIL OF ECONOMIC ADVISERS
THE UNITED STATES TRADE REPRESENTATIVE
THE ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION
AGENCY
THE ASSISTANT TO THE PRESIDENT FOR NATIONAL SECURITY
AFFAIRS
THE ASSISTANT TO THE PRESIDENT FOR DOMESTIC POLICY
THE ASSISTANT TO THE PRESIDENT FOR
SCIENCE AND TECHNOLOGY POLICY

SUBJECT: **Membership of the National Economic Council**

To assist me in carrying out my responsibilities in the area of the national economy, I hereby direct that the Administrator of the SBA be made a member of the National Economic Council. The Small Business Administrator shall be added to the list of members identified in PDD/NEC-2 and PDD/NEC-3, which are amended by this directive.

The Small Business Administration shall be represented on the NEC Deputies Committee (ECON2) by a senior official of Deputy Secretary or Under Secretary rank chosen by the Small Business Administrator. The Small Business Administration shall also participate in other NEC committees and interagency working groups as appropriate.

William J. Clinton

(6/17/93)

THE WHITE HOUSE
WASHINGTON

Benin

We need to
see when we
are on future
Dep. of Commerce
let's discuss

B.

other case? : Style Superior

(6/17/93)

THE WHITE HOUSE

WASHINGTON

7/1/93 - Reordan
Sweeney for

Mach

See Mr. Mi-Thin

TS

6/17



No - gluinos!

Atom Smasher Is Super Nonsense

By John Lukacs

Boonoggie" is a relatively new American word. Originally a braided leather lanyard worn by Boy Scouts, in the 1930's it was applied by critics of the New Deal to "useless tasks performed by recipients of its doles."

The proposed supercollider in Texas, at \$8.4 billion, may be one of the greatest boonoggles of all time. But the main problem concerns something more fundamental than cost.

The supercollider is a 53-mile circular tunnel that would accelerate atomic particles at supersonic speeds, smashing atoms into smaller and smaller bits. Many of its proponents tend to argue, among other things, that science may discover the smallest building block of the universe and that the universe can be explained by a Grand Unified Theory. Both assumptions are outdated.

The reduction of the universe to an essential basic particle was first attempted in the 5th century — theoretically, since he had no microscopes or atom-smashers at his disposal — by Democritus, who gave us the name and theory of the atom, establishing it as the basic unit of matter, a notion that has not changed for more than 2,000

John Lukacs is author of "The End of the Twentieth Century and the End of the Modern Age."

years. Democritus was a materialist: He believed that the human soul itself consists of nothing but atoms. Plato did not believe a word of that.

We shouldn't, either. Consider only that Democritus thought the atom was absolutely indivisible. We know that this is not so: during this century (mostly because of equipment capable of "smashing" atoms) physicists have found that atoms include other, smaller particles.

But what is the essence of some of these particles? Are they — more exactly their tracks and patterns — not produced by the scientists themselves? This suggests a truth that we often ignore: that, just as nature came before man, man came before the science of nature. Thus the history of science — indeed, science itself — cannot be anything but the history of scientists. Especially when it comes to subatomic particles, we cannot speak of "nature" or of "matter" but only of situations that occur during and because of our observations of matter. It is impossible, as Werner Heisenberg proved with his Uncertainty Principle almost 70 years ago, to exclude the observer from what he observes.

Consider the names physicists have given to many of these particles — names that are often nothing but tortuous linguistic inventions. In his book "The End of Physics — the Myth of a Unified Theory," the physicist David Lindley (senior editor of the journal *Science*) writes that "the quality of nomenclature in particle physics [has sunk] to new lows." Well after physicists discovered the "neutrino" (to be distinguished from the "neutron") we now have "selectrons" and "sneutrinos" and, "worst

Supercollider: medieval echoes for \$8.4 billion.

of all, the whole set of quarks turns into a corresponding set of 'squarks.' Where the addition of an initial S doesn't work, diminutive endings have been resorted to, producing a 'photino' to go with the photon, 'gluinos' for gluons."

It does not take much philosophical knowledge to recognize that we are, after more than 500 years, back in the presence of the medieval superstition of nominalism: the tendency to think that once we give a name to a phenomenon we've "got it." That is the very opposite of realism, which in philosophy, art and, indeed, in all intellectual endeavors began to replace

nominalism around the time of the Renaissance.

But the assumption that the universe can be reduced to an original particle has already changed — or, rather, degenerated — into a second assumption, the myth of the Unified Theory. Many physicists are now inclined to believe that even if we cannot find the smallest building block of the universe, we can find a mathematical formula that will explain the entire universe: a Theory of Everything.

Given sufficient money (and, I assume, voltage) the supercollider may or may not "produce" the basic unit of the universe, while it will create more subatomic situations that may be formulated mathematically. But more and more mathematical formulas about subatomic matters consist only of untested and untestable assumptions, all of them theoretical and abstract. The belief that the universe is "written in the language of mathematics" is not only wrong, it is entirely outdated. "What is there exact in mathematics except its own exactitude?" Goethe wrote. He was right, as mathematicians in the 20th century have confirmed.

Near the end of the Middle Ages, a few theologians (the "scientists" of that time) persuaded a king of France to give them permission for an experiment that had been forbidden by the Roman Catholic Church. They were allowed to weigh the soul of a criminal by measuring him both before and after his hanging. As usually happens with academics, they came up with a definite result: the soul weighed about an ounce and a half.

We laugh at such things, of course. But remember how much suffering such coarse and foolish ideas about the soul produced in the wars of religion during the transition from the Middle Ages to the Modern Age — not to speak of the fact that the soul-weighing experiment was somewhat less costly than the supercollider.

We ought at least to consider the possibility that 100 or 200 years hence people may laugh at the pretensions of some of our scientists, as well as at our gullibility at the end of the 20th century.

We live at the end of a century, and probably at the end of an age, when the time has come to rethink not only some of the technical applications but the very meaning of "progress." To oppose the supercollider is by no means a reactionary position. To believe that the U.S. must not commit itself to such a financial and scientific boonoggie is a step forward, not backward.

My argument is not simply that it is not given to humans to explain everything, including the universe. When human beings recognize that they cannot create everything and cannot see everything and cannot define everything, such limitations do not impoverish but enrich the human mind. They mark the evolution of our consciousness.

Nearly 50 years ago, the French Catholic writer Georges Bernanos said that the atom bomb was "a triumph of technique over reason." Fifty years after us, rats may scurry through the 50 miles of tunnels under Texas hardpan and a few tourists may gape at the remnants of the supercollider, at the ruins of a monument to unreason. □

Mideast Peace: Close but Stuck

Israel and Syria agree in principle on swapping Golan Heights land for peace, though they don't yet agree on how much land and what kind of peace. Israeli and Jordanian negotiators are even closer to agreement and talks between Israel and Lebanon are making modest progress.

Even on the Israel-Palestinian front there are constructive new proposals, with Israel now offering to transfer some local government powers immediately, even before concluding a formal autonomy agreement.

For all these hopeful signs, the Mideast peace talks, which resumed this week in Washington, are dangerously stalled. Unless there is a breakthrough soon, opponents of the peace process are likely to come to power in Israel and among Palestinians in the occupied territories. Shortsightedly, Mideast leaders are seeking to lower public expectations. Washington needs to raise their sights.

Despite the progress on some negotiating fronts, the Arab delegations have pledged that none will break ranks to make a separate peace. And the Palestinian delegation, already under fire from Islamic militants for even negotiating with Israel, isn't prepared to let the other Arabs go ahead on the basis of Israel's present proposals.

That risks squandering a historic opportunity. Unlike the Likud Governments of the past, and probably of the future, Israel's present Labor Government is serious about making peace. Prime Minister Rabin has demonstrated that seriousness in a variety of ways, from curbing Jewish settlements in the occupied territories to relaxing rules about contact with the Palestine Liberation Organization. And he is now offering plausible proposals for limited self-government.

The Palestinian delegation argues that by agreeing to partial proposals now, it risks compromising its overall position. By accepting interim

political authority in Gaza ahead of the West Bank, for example, or by not including East Jerusalem, the Palestinians contend they would be agreeing to a further partition of Palestinian territory. But by demanding that everything be put on the table at the start, they threaten to paralyze the talks. Until they summon the courage to move forward one step at a time, no breakthrough is likely on any front. The U.S., as the main sponsor of these talks, needs to address this problem head on.

Washington is well positioned to do so. Secretary of State James Baker got the peace process going some 20 months ago with a formula he described as "constructive ambiguity." Arabs and Israelis agreed to take part on the basis of the U.N. resolutions mandating the exchange of land for peace. But each was allowed to bring to the table its own interpretation of the resolutions, whose actual words refer to Israel's withdrawal from "territories occupied" in exchange for its "right to live in peace within secure and recognized boundaries."

The Arabs argue that Israel is required to withdraw from all the territory it occupied in the 1967 war. Israel argues that it is entitled to retain some of that territory to establish secure boundaries. The U.S. insists only that all the occupied territory be subject to negotiation between the parties.

That American position could give the Palestinians the reassurance they need to move forward. By publicly reminding all parties that no matter what is agreed to in the present talks on interim autonomy, the final status of all occupied territories will remain the subject of future negotiations, Washington could encourage the Palestinians to take the vital first steps now on offer.

Given the perversities of Mideast politics, there can be no guarantee that this approach will work. But it's surely worth trying. The alternative is to watch the peace process expire.

The Unyielding AIDS Epidemic

The international AIDS conference in Berlin last week left a depressing message: no scientific breakthrough is apt to wipe this scourge from the earth any time soon. Indeed, the existing medical weapons against AIDS are less successful than once believed. There is little choice now but to shift the emphasis to prevention programs.

The drug AZT, long the mainstay of AIDS treatment, has only limited value for a limited time — and is highly toxic to boot. Worse yet, it apparently has little or no effect when given to people who are infected with the virus but have not yet developed symptoms. That dashes the hopes of millions of infected individuals that early treatment might ward off death.

Other drugs have proved equally disappointing, and combination therapy with two or more drugs has yet to be shown to work. Meanwhile, vaccines that might prevent infection and slow the epidemic seem as far away as ever. Some vaccines may be ready for human testing within two years but these early candidates are not apt to be the highly effective, cheap, easy-to-handle vaccine that the world so desperately needs.

What a letdown to find, after a decade of rapid progress in understanding AIDS, that practical medical accomplishments are still years away.

The epidemic itself is not waiting. Some 14 million people around the world are now infected

with the AIDS virus, and that number will soar above 30 million by the year 2000, the World Health Organization predicts. In the United States, AIDS is now the leading cause of death among young men 25 to 44 years of age in 5 states and 64 cities.

With such gloom all around, health officials need to reorganize their attack. Current drugs are a dead end; researchers need radically new approaches in the search for cures and vaccines. But the experience so far suggests that breakthroughs won't come quickly.

The only immediate hope for containing the epidemic is a heavier emphasis on prevention programs. That means patient, persistent, unglamorous work yielding small gains in areas that are often controversial: better sex education, promotion of condoms, needle exchange programs for drug addicts, safer blood supplies abroad and better treatment of venereal diseases that foster the spread of AIDS.

Dr. Michael Merson, head of the AIDS program of the World Health Organization, suggests that \$1.5 billion to \$2.9 billion a year spent on prevention programs in developing countries could cut in half the number of new infections between now and the end of the century. Such a campaign would not only be humane, it would save money in the long run. Against a formidable disease like AIDS, prevention is almost certain to be cheaper than cure.

U.S. May Drop 2-War Preparedness

Aspin Envisions Smaller, High-Tech Military to 'Win-Hold-Win'

By Barton Gellman
and John Lancaster
Washington Post Staff Writers

A1

Defense Secretary Les Aspin signaled yesterday that the administration's emerging plan for shrinking the armed forces would result in a U.S. military capable of fighting one major regional war at a time.

The plan represents a significant departure from the policy of the Bush administration, which insisted on maintaining a force large enough to confront military challenges in two places at once.

Under the Clinton administration's war-fighting blueprint, if two regional conflicts were to flare simultaneously, U.S. military power would be applied with the aim of defeating one enemy while holding the other at bay until later. This approach, dubbed "win-hold-win" by its proponents in Aspin's secretariat, is apparently nearing final form, though it continues to encounter strong objections from some senior uniformed leaders.

One four-star general is telling colleagues the plan is a recipe for "win-lose-lose." Another senior officer, reflecting the views of a service chief, said in an interview, "I call it the win-hold-oops strategy."

Military planners regard the two-war problem as a central measure of their preparedness because, with the Cold War over, it is the hardest thing they think they may be called upon to do. In a classified scenario attached to last year's Defense Planning Guidance, for example, the Pentagon considered how it would respond if North Korea attacked South Korea while U.S. forces

See MILITARY, A16, Col 1

MILITARY, From A1

were embroiled in defending Saudi Arabia from Iraq or Iran.

In what aides described as a trial balloon, Aspin suggested yesterday that a two-war strategy is not needed because breakthroughs in weapons and sensor technology will permit the United States to hold off a second adversary with only a small commitment of forces. After the main weight of American military power defeats the first adversary, it would be shifted to attack the second.

The win-hold-win strategy is associated with further cuts in U.S. forces now under discussion in Aspin's so-called bottom-up review. President Clinton said in the 1992 campaign he would cut the Bush administration's planned "base force" of 1.6 million active duty troops to 1.4 million. The Aspin review is translating that into force structure cuts from 12 active Army divisions to 10, from 12 aircraft carriers to 10 and from 26.5 Air Force wings to 20.

In his speech to nearly 400 graduates of the National Defense University—a stop for many colonels and Navy captains on their way to becoming generals and admirals—Aspin described the need to stop enemy armored attacks in more than one crisis as "the most critical element" of the new strategy.

Aspin, reflecting strong concerns of his military planners, said there are "very, very compelling" reasons to "stop the enemy's invading army as quickly as possible." Any delay, he said, risks the loss of critical objectives such as ports, oil fields or an allied capital and might drive the U.S. ally to surrender.

Stopping enemy armored columns, when large U.S. forces are not already present on the ground, "looked very much like an insoluble problem until fairly recently," Aspin said. "But two high-tech responses, operating synergistically, have combined to give us a much better chance."

The first, he said, is a new generation of precision-guided anti-armor munitions such as the "brilliant anti-tank" warhead, or BAT. If they perform as hoped, BAT and

similar new technologies would allow small numbers of early-arriving U.S. forces to fire from a distance at concentrations of enemy vehicles. Warheads would guide themselves, keying to the sound or heat of individual targets.

"For the first time it appears possible that air and missile forces will be able to kill large numbers of

See MILITARY, A17, Col 1

*Aspin/Gauger
from working
about whether it's
them on board w/ the
before it gets ahead
then — B*

1/2

21

Military Planners Developing 'Win-Hold-Win' Approach

MILITARY, From A16

armored vehicles quickly from the air, land and sea—and that's the key," Aspin said.

In combination with these long-range weapons, Aspin said, the United States would use new surveillance technology to "detect the main concentrations of the enemy force, process and analyze the information, and then pass it to the shooters before it becomes obsolete."

The emphasis on stand-off weapons has been most eagerly embraced by the Air Force, which in recent years has promoted air power as a swift and effective answer to enemy land forces. Aspin's ideas have generally had their most skeptical hearing from the Army.

But officers from all services note that Aspin is acknowledging the risk of simultaneous conflicts while proposing answers that do not yet exist in the U.S. inventory. Some senior military planners said in interviews that Aspin's plan sends the wrong signal to allies when U.S. leadership abroad is already in doubt.

"The South Koreans are very concerned," said one officer, who spoke on condition of anonymity. "Basically, it means we give up Seoul and then come back and clean it up later."

Even under the Bush administration's plan,

the U.S. military could not have fought two major wars quite simultaneously, according to documents obtained and reported by The Washington Post last year.

If faced, for instance, with imminent aggres-

Aspin indicated that breakthroughs in weapons and sensor technology will permit the U.S. military to hold off a second adversary with only a small commitment of forces.

sion by North Korea while already fighting in the Persian Gulf, U.S. commanders under the Bush administration's scenario would divert "a small portion" of their cargo-carrying ships and planes in an "attempt to delay outbreak of conflict in Ko-

rea for as long as possible." They would then seek to win decisively in the gulf before sending most of their forces to Korea.

During the buildup to the 1991 Persian Gulf War, one officer said, the Joint Staff staged a concurrent war game against North Korea. Although the United States eventually won that imaginary conflict, one officer involved said "we had a few breathless moments."

Nevertheless, this officer maintained, the ability of the United States to fight on two fronts "was coherent enough that no one would really take advantage" of one conflict to start another. "You want to keep the other guys from sticking their heads up, and by talking so glibly about this we've started to erode the credibility of the deterrent."

Gen. Colin L. Powell, chairman of the Joint Chiefs of Staff, has avoided criticizing the win-hold-win plan directly. But in a news conference earlier this month, Powell, the architect of the Bush administration's base force plan, sounded a note of caution.

"I think it's essential that as we bring the force down, we have a clear understanding of what we will not be able to do," Powell said. "And if those risks are acceptable, then we ought to go ahead and save money and bring the force down. It's a very difficult judgment to make."

THE WHITE HOUSE
WASHINGTON

DATE: 6/16

NOTE FOR: *Jack Gibbons*

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

Information ☐

Action ☒

*Can you get someone
to follow up. Thanks*

John

Thank you.

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

cc:

PHONE: 609-243-3168
TELEFAX: 609-243-3248
E-MAIL: GRISHAM@VAXMAIL.PPPL.GOV

THE PRESIDENT HAS SEEN

6/16/95



*Senior
in Grisham's
department
at Princeton*

DR. LARRY R. GRISHAM
PRINCIPAL RESEARCH PHYSICIST
HEAD, BEAM PHYSICS
PRINCETON UNIVERSITY
PLASMA PHYSICS LABORATORY
P.O. BOX 451
PRINCETON, N.J. 08543

*Union
of Princeton
Scientists*



THE WHITE HOUSE

WASHINGTON

June 16, 1993

MEMORANDUM FOR COMMUNICATIONS
SPEECHWRITING
SCHEDULING & ADVANCE
PUBLIC LIAISON

FROM: R. PAUL RICHARD
TODD STERN

SUBJECT: SPEECH AND ACKNOWLEDGEMENT CARDS

Each of your offices should now have access to the WordPerfect macro used to prepare speech cards for the President. If you don't, please contact Oasis and they will install both the macro and the necessary fonts. When dropping off texts that the President will read from the small lectern (including acknowledgements), please send one single-spaced version, one triple-spaced blown up version, and two sets of cards.

Attached is an example of the cards we are now using. You may order them directly from the Supply Room.

Thanks for your help.

cc: Andrew Friendly
Wendy Smith

The Washington Post

AN INDEPENDENT NEWSPAPER

Move Over

NO QUESTION is more central and sensitive in politics than who should sit at the table where the big decisions are made. Here lies the importance of the Clinton administration's new favor for adding Japan and Germany as permanent members of the U.N. Security Council. Other countries will doubtless inject their views on the distribution and uses of power in the international agencies. A debate is overdue. The structure of the Security Council, the premier agency dealing with peace and security, reflects a design imposed by the five victors of World War II. Well before the Cold War ended, it had become obsolete.

Two impulses should guide the U.S. approach to U.N. redesign. One is, as the U.S. representative, Madeleine Albright, says, "to make the organization reflect the new world"—not simply to serve a notion of diversity but to respond to countries that have worked their way up and ask others to move over and make a place for them. The other is to make the organization serve stability and orderly change. Both purposes are worthy. But council expansion cannot be allowed to cancel out effectiveness. There is no point in converting an imperfectly representative but op-

erational Security Council into a one-nation/one-vote General Assembly that "reflects the new world" but can't act responsibly when it counts.

The case for adding Japan and Germany is that they are rich and reliable enough to pick up a larger share of the costs and risks of U.N. operations. Still, the wartime experience of both these states yet weighs on their political and constitutional readiness to fill a new role, and Europe is already well represented. Strong bids for permanent council membership come from the now-unrepresented Third World. Change will be slow, taking as it does approval of two-thirds of General Assembly members, including all five with permanent council seats. But the post-Cold War revival of the United Nations, especially in peace-keeping, ensures that pressure for change will be intense.

In the interim, as Ambassador Albright underlines, it is urgent to improve the international machinery. Members need to pay up dues. They must get control of the peace-keeping sprawl. They must recapture the momentum of reform and push through the hardheaded recommendations of the former U.N. undersecretary general for administration, Dick Thornburgh.

A Bad Labor Bill

THE HOUSE has reflexively passed, at labor's behest, a bill to alter, unwisely, the balance of power in labor-management relations. The measure now goes to the Senate, where Republicans plus some resisting Democrats may be in a better position to sidetrack it. We hope they do. This is wrongheaded legislation that in its present meat-ax form would do more economic harm than good and ought not pass.

The bill would strip employers of the right to hire permanent replacements when workers strike over economic issues. (Different rules apply when strikes are over unfair labor practices.) Organized labor says that the hiring ban is necessary to protect a threatened right to strike and to restore a balance lost in labor-management law and relations in recent years. But in fact the objective is broader.

For a generation, organized labor has been losing membership and ground much less for legal than for international economic reasons. It wants to make up that ground and believes the change in labor law would help it do so. But that's not what labor law is for, and this legislation goes too far.

The law is now ambivalent; it has been for more than 50 years. The ambivalence may be a virtue for the mutual deterrence it provides. The National Labor Relations Act declared in 1935 that strikers could not be fired. The Supreme Court nonetheless

said in 1938 that employers were free to hire permanent replacements, and the court has maintained that position since. For years the contradiction rarely came into play and wasn't a major issue. Lately it has been. Labor says there has been more use of permanent replacements than in earlier eras. The data on that are ragged, but certainly there has been more visible use in a number of celebrated cases. The issue has thus become a political symbol for both sides.

Labor law always walks a fine line. The goal is to keep collective bargaining fair without determining its outcomes—but of course for each side "fair" in part depends on outcomes. The unions are right that on occasion in recent years the power to hire permanent replacements has been abused to circumvent collective bargaining. If Congress can write a law that will bar abuses and no more—not an easy task—by all means it should. But to bar the hiring of such replacements entirely is also wrong. Occasions arise when a company ought to have the power to hire replacements; one such occasion arose in the 1970s in this newspaper's own dealings with one of its unions.

The bill the House has passed in the name of balancing labor law would tilt it instead. It ought to be greatly narrowed; if it can't be narrowed, it ought to be killed.

Congress of the United States

Washington, DC 20515

JUN 16 1993 P 7:46

June 16, 1993

Mr. Thomas F. McLarty
Chief of Staff
The White House
Washington, D.C. 20500

Dear Mr. McLarty:

We understand from press accounts that you have been asked by the President to investigate allegations that White House officials attempted to politicize federal law enforcement agencies in connection with the dismissal of seven career employees of the White House Travel Office.

We too are concerned about these allegations and among the questions that we believe need to be answered are the following:

1. Who authorized or directed Associate Counsel to the President William Kennedy to summon FBI officials to the White House and to propose that the FBI investigate the White House Travel Office?
2. How did Associate Counsel to the President William Kennedy know whom to contact at the FBI to set up a meeting to propose that the FBI investigate the White House Travel Office?
3. Who authorized or directed FBI officials to attend the White House meetings convened by Associate Counsel to the President William Kennedy?
4. What was said at those meetings, and in particular, how did the FBI officials respond to the proposal that the FBI investigate the Travel Office?
5. Who authorized or directed Associate Counsel to the President William Kennedy to discuss with an official of the Federal Bureau of Investigation the possibility that the Internal Revenue Service would be used to investigate the White House travel office if the Federal Bureau of Investigation did not do so?
6. What was the response of the official of the Federal Bureau of Investigation to the suggestion that the Internal Revenue Service be used to investigate the White House travel office?

7. How was it decided to have the Peat Marwick accounting firm audit the Travel Office? When was that decision made? What relationship, if any, exists between the audit and Vice President Gore's national performance review?
8. Who within the FBI decided whether to investigate the Travel Office, and who was consulted about this decision?
9. Who authorized or directed White House officials to summon FBI Congressional and Public Affairs Director John Collingwood to the White House to discuss the nature of the FBI's investigation of the Travel Office?
10. Who authorized or directed FBI Congressional and Public Affairs Director John Collingwood to meet with White House officials? In particular, was FBI Director William Sessions aware that the meeting had been requested?
11. What was said at the White House meeting, and in particular, how was it decided that a press statement on the stationery of FBI Director William Sessions would be issued confirming that an FBI criminal investigation of the Travel Office was underway?
12. Who drafted the press statement, to what extent was it revised, and who was consulted about its contents?
13. Who authorized or directed FBI Congressional and Public Affairs Director John Collingwood to issue the press statement?
14. Did release of the press statement violate the Privacy Act, 5 U.S.C. 552a, or federal regulations thereunder, and if so, are the Act's civil and criminal penalties applicable in this case?
15. Would the FBI ordinarily issue a press statement confirming that a criminal investigation was underway when the investigation was only at the preliminary stage that the Travel Office investigation had reached?
16. Was the future status of Federal Bureau of Investigation Director William Sessions a consideration in any of the discussions that led to asking the Federal Bureau of Investigation to intercede?

17. What action originally was taken against the seven employees of the Travel Office, how was this action modified subsequently, and what is the current status of the employees?

18. Who made the decision to take the original action against the seven employees, who made the decision to modify the original action, who was consulted with respect to each of these decisions, and upon what information were these decisions based?

19. To what extent were the White House officials involved with the investigation of the Travel Office aware of the interest of campaign workers such as Catherine Cornelius in assuming control of the Office, and how did they become aware of such interest?

20. To what extent were the White House officials involved with the investigation of the Travel Office aware of the interest of campaign contributors such as Harry Thomason in obtaining contracts with the Office, and how did they become aware of such interests?

21. Did the White House officials involved with the investigation of the Travel Office inform the FBI of the interest of campaign workers such as Catherine Cornelius and campaign contributors such as Harry Thomason in obtaining control of the Office or contracts with it at the time that they requested the FBI to investigate the Office? If not, why was this information withheld?

22. What financial arrangements or understandings existed in connection with the employment of Penny Sample in the White House Travel Office, and how did she come to receive a commission for her work in the Office?

23. Was Harry Thomason a special government employee within the meaning of 18 U.S.C. 202(a) by virtue of the fact that he had a White House residence pass, daily access to the White House, and an office in the Old Executive Office Building?

24. If Harry Thomason was a special government employee, did his efforts to obtain contracts with the Travel Office violate the conflict of interest restrictions of 18 U.S.C. 208, which prohibit government employees, including special government employees, from participation personally and substantially in particular matters in which they have a financial interest?

25. Did Penny Sample or any other person interested in obtaining contracts with the Travel Office violate the conflict of interest restrictions of 18 U.S.C. 208?

26. When will a final determination be made regarding the continued tenure of Director Sessions?

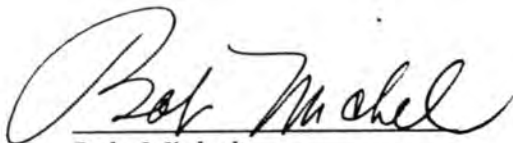
We believe that any investigation of this affair must provide accurate and complete answers to these questions, among others. We also believe that your investigation should be completed and your report publicly released as soon as possible so as to permit Congress and the President to take prompt remedial action if required.

In this connection, we would appreciate your providing us with answers to the above stated questions and your best estimate as to when your investigation will be completed and your report publicly released.

Finally, we would appreciate your assurance that you have acted to require the White House staff, the Departments of Justice and Treasury, the FBI, and the Internal Revenue Service to preserve all records and other evidence to this matter so as to prevent any obstruction of Congress' ability ultimately to get to the bottom of this affair.

We would appreciate your prompt response.

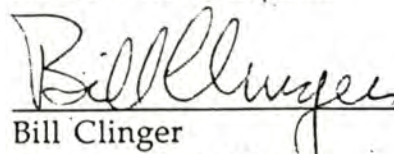
Sincerely,



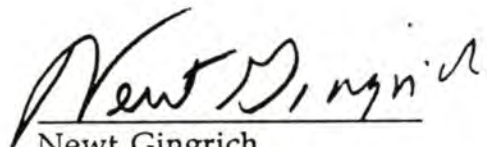
Bob Michel
Republican Leader



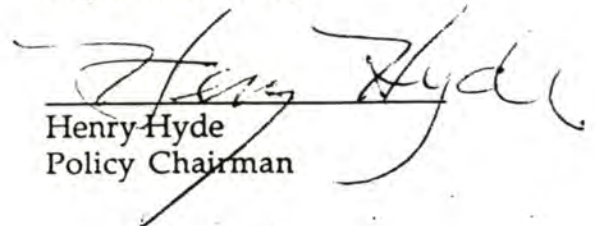
Dick Armey
Conference Chairman



Bill Clinger
Ranking Republican
Committee on Government Operations



Newt Gingrich
Republican Whip



Henry Hyde
Policy Chairman

103rd CONGRESS
1st SESSION

H. RES.

(Original Signature of Member)

1983 6 P7:46

IN THE HOUSE OF REPRESENTATIVES

June 16, 1993

Mr. Hyde for himself and Mr. Michel, Mr. Gingrich, Armev, and Mr. Clin submitted the following resolution; which was

referred to the Committee on

RESOLUTION

Resolved,

Requesting the President to furnish to the House of Representatives certain documents concerning the response of the Federal Bureau of Investigation to allegations of criminal conduct in the White House travel office.

Resolved, That the President is requested to provide to the House of Representatives, not later than 14 days after the adoption of this resolution, the following documents:

- (1) Any document concerning the identity of any person who authorized or directed William Kennedy, Associate Counsel to the President, to sum-

1 mon officials of the Federal Bureau of Investigation
2 to the White House and to propose that the Bureau
3 investigate the White House travel office.

4 (2) Any document concerning how William Ken-
5 nedy, Associate Counsel to the President, knew
6 whom to contact in the Federal Bureau of Investiga-
7 tion to arrange a meeting to discuss the White
8 House travel office.

9 (3) Any document concerning the identity of
10 any person who authorized or directed officials of
11 the Federal Bureau of Investigation to attend any
12 White House meeting convened by William Kennedy,
13 Associate Counsel to the President, to discuss the
14 White House travel office.

15 (4) Any document showing what was said at
16 any meeting referred to in paragraph (3), including
17 the response of officials of the Federal Bureau of In-
18 vestigation to the proposal that the Bureau inves-
19 tigate the White House travel office.

20 (5) Any document concerning the identity of
21 any person who authorized or directed William Ken-
22 nedy, Associate Counsel to the President, to discuss
23 with an official of the Federal Bureau of Investiga-
24 tion the possibility that the Internal Revenue Service
25 would be used to investigate the White House travel

1 office if the Federal Bureau of Investigation did not
2 do so.

3 (6) Any document showing what was said dur-
4 ing the discussion referred to in paragraph (5), in-
5 cluding the response of the official of the Federal
6 Bureau of Investigation to the suggestion that the
7 Internal Revenue Service be used to investigate the
8 White House travel office.

9 (7) Any document concerning the decision to re-
10 tain the accounting firm of KPMG Peat Marwick to
11 audit the White House travel office, including the
12 timing of that decision, and any relationship between
13 the audit and the national performance review by
14 the Vice President.

15 (8) Any document concerning the identity of
16 any official of the Federal Bureau of Investigation
17 who decided to investigate the White House travel
18 office, and the identity of any other official of the
19 Federal Bureau of Investigation who was consulted
20 about that decision.

21 (9) Any document concerning what action was
22 originally taken against the seven employees of the
23 White House travel office, how this action was modi-
24 fied subsequently, and what is the current status of
25 the employees.

1 (10) Any document concerning who made the
2 decision to take the original action against the seven
3 employees referred to in paragraph (9), who made
4 the decision to modify the original action, who was
5 consulted with respect to each of these decisions,
6 and upon what information these decisions were
7 based.

8 (11) Any document concerning the identity of
9 any person who authorized or directed White House
10 officials to summon John Collingwood, Inspector in
11 Charge of the Office of Public and Congressional Af-
12 fairs of the Federal Bureau of Investigation, to the
13 White House to discuss the investigation of the
14 White House travel office by the Bureau.

15 (12) Any document concerning the identity of
16 any person who authorized or directed John
17 Collingwood, Inspector in Charge of the Office of
18 Public and Congressional Affairs of the Federal Bu-
19 reau of Investigation, to meet with White House of-
20 ficials to discuss the investigation of the White
21 House travel office by the Bureau.

22 (13) Any document concerning whether William
23 Sessions, Director of the Federal Bureau of Inves-
24 tigation, was aware that the meeting referred to in
25 paragraph (12) had been requested.

1 (14) Any document describing what was said at
2 the meeting referred to in paragraph (12), including
3 how it was decided that a press statement on the
4 stationery of William Sessions, Director of the Fed-
5 eral Bureau of Investigation, would be issued to con-
6 firm that a Bureau criminal investigation of the
7 White House travel office was underway.

8 (15) Any document concerning the identity of
9 any person who participated in the drafting of the
10 press statement referred to in paragraph (14), the
11 extent to which the press statement was revised, and
12 the identity of any person who was consulted about
13 the contents of the press statement.

14 (16) Any document concerning the identity of
15 any person who authorized or directed John
16 Collingwood, Inspector in Charge of the Office of
17 Public and Congressional Affairs of the Federal Bu-
18 reau of Investigation, to issue the press statement
19 described in paragraph (14).

20 (17) Any document concerning whether the
21 Federal Bureau of Investigation would ordinarily
22 issue a press statement to confirm that a criminal
23 investigation is underway when the investigation is
24 at the preliminary stage that the White House travel

1 office investigation had reached when the statement
2 referred to in paragraph ¹⁴~~(12)~~ was issued.

3 (18) Any document concerning whether the
4 statement referred to in paragraph (14) violated the
5 Privacy Act (5 U.S.C. 552a), or Federal regulation
6 thereunder, and whether Privacy Act's civil and
7 criminal penalties are applicable in this case.

8 (19) Any document concerning to what extent
9 White House officials involved with the investigatiⁿ
10 of the White House travel office were aware of the
11 interest of workers on President William Clinton's
12 presidential campaign such as Catherine Cornelius
13 in assuming control of the White House travel office,
14 and how they become aware of such interest.

15 (20) Any document concerning to what extent
16 White House officials involved with the investigation
17 of the White House travel office were aware of the
18 interest of contributors to President William Clin-
19 ton's presidential campaign such as Harry
20 Thomason (and his business partner Darnell
21 Martens) in obtaining contracts with the White
22 House travel office, and how they become aware of
23 such interests.

24 (21) Any document concerning whether White
25 House officials involved with the investigation of the

1 White House travel office informed the Federal Bu-
2 reau of Investigation of the interest of workers in
3 President William Clinton's presidential campaign
4 such as Catherine Cornelius and contributors to his
5 presidential campaign such as Harry Thomason
6 (and his business partner Darnell Martens) in ob-
7 taining control of the White House travel office or
8 contracts with it at the time that these White House
9 officials requested the Federal Bureau of Investiga-
10 tion to investigate the White House travel office, and
11 if not, why this information was withheld.

12 (22) Any document concerning what financial
13 arrangements or understandings existed in connec-
14 tion with employment of Penny Sample in the White
15 House travel office, and how she came to receive a
16 commission for her work in the White House travel
17 office.

18 (23) Any document concerning whether Harry
19 Thomason was a special government employee within
20 the meaning of section 202(a) of title 18, United
21 States Code, by virtue of the fact that he had a
22 White House residence pass, daily access to the
23 White House, and an office in the Old Executive Of-
24 fice Building, and if he was, whether his efforts to
25 obtain contracts with the White House travel office

1 violated the conflict of interest restrictions of section
2 208 of title 18, United States Code.

3 (24) Any documents concerning whether Penny
4 Sample of any other person interested in obtaining
5 contracts with the White House travel office violated
6 the conflict of interest restrictions of section 208 of
7 title 18, United States Code.

8 (25) Any document concerning whether White
9 House officials and officials of the Department of
10 Justice have considered the appointment of William
11 Sessions, Director of the Federal Bureau of Inves-
12 tigation, to other Federal positions, and whether
13 William Sessions was aware that such possibilities
14 were under consideration during the course of these
15 events.

16 (26) Any document concerning when a final de-
17 termination will be made about the continued tenure
18 in office of William Sessions, Director of the Federal
19 Bureau of Investigation.

20 SEC. 2. As used in this resolution, the term "docu-
21 ment" means any report, memorandum, schedule or min-
22 utes of a meeting, log or record of telephone calls or other
23 communications, appointment calendar, or other record or
24 document of any kind, including electronic, handwritten,

1 or other communications whatsoever and all drafts there-
2 of.



THE WHITE HOUSE
WASHINGTON

DATE: 06/16/93

NOTE FOR: BILL GALSTON

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 PRESIDENT HAS SEEN 6/16

THE WHITE HOUSE
WASHINGTON

93 JUN 15 9:19

June 14, 1993

MEMORANDUM FOR THE PRESIDENT

FROM: BILL GALSTON (WA9)

SUBJ: SKILLS STANDARDS

You have indicated concerns about the attached Wall Street Journal op-ed, which charges that the skills standards title of the Goals 2000 bill would somehow lead to race-norming. In response, I initiated discussions with the Department of Labor, and they have completed their analysis. Their conclusion is that the article seriously mischaracterizes the intent, language, and effect of the Administration's proposal. The author's real quarrel is with the 1991 Civil Rights Act, not our bill.

The gist of their argument is as follows:

The article contends that because civil rights laws would apply to skills standards, those standards would be set at low levels, and any employer setting or using standards higher than those endorsed by the National Skills Standards Board would be vulnerable to a civil rights challenge. This is simply not true.

o The Administration's proposal would ensure that skills standards cannot be used or construed to modify existing civil rights laws, including the bipartisan Civil Rights Act of 1991. The proposal would neither extend nor diminish current civil rights protections.

o Nothing in the proposal would require an employer to use the standards endorsed by the Board or prevent an employer from using other standards, including tougher standards, in employee selection decisions. As under current laws, the employer would have to show that the proposed standards meet the test of rational relation to the job to which they are being applied.

o Nothing in the bill, or in our civil rights laws, requires that skills standards be watered down. In fact, the proposal contains provisions to ensure that the standards will be set at a high level. For example, the standards endorsed by the Skills Standards Board are to be linked to the highest international standards and to the requirements of high-performance work organizations. The standards are intended to enable prospective employees to seek high-skill jobs and to give employers confidence that such employees are highly qualified.

o Nothing in the bill, or for that matter in our civil rights laws, prohibits standards that have a disparate impact. If an employer can demonstrate that such standards are job related and that there is no other way of maintaining appropriate standards without disparate impact, then their use is perfectly lawful. Granted, this may in some instances impose a burden of proof on employers. But once again, this is the result of existing civil rights statutes, not our bill.

I spoke with Bob Reich about all this late last week. The rebuttal points I have just summarized, along with a fuller case for the Goals 2000 skills standards, have been developed into an op-ed piece by a bipartisan group that includes Ray Marshall, Bill Brock, and Marc Tucker. The piece is now under consideration by the Outlook section of the Post, and I'm told that the chances for acceptance look good.

The message you delivered at last week's DPC meeting concerning the need to wage and win the war of ideas is now resonating through your Administration. The Department of Education is moving into high gear with an op-ed strategy that may well include substantial bipartisan participation.

ism of Race-Norming

quota. The administration's amended bill would also require that the board contain at least one civil-rights advocate.

Such a board isn't likely to raise occupational skill levels at all. Rather, it can be expected to develop low minimum standards, which it will then offer to employers as a means for "achieving compliance with relevant civil rights laws."

Although the proposed skill-standards system is ostensibly voluntary, employers could ignore it only at their peril. Civil rights lawyers would be waiting in the wings to slap them with employment discrimination lawsuits if they set skill standards higher than the national board's.

Under current law, disparate impact in hiring creates a prima facie case of illegal

an, civil-rights lawyers would be s with discrimination lawsuits if igher than a national board's.

discrimination that employers can rebut by showing the job-relatedness ("validity") of the selection procedure in question. If the plaintiff then presents an alternative selection procedure that is equally job-related but has less disparate impact, the employer loses the case. In recent years, employers have become increasingly able to demonstrate the job-relatedness of selection procedures with substantial disparate impact, while plaintiffs have been hard-pressed to point to equally valid "alternatives" with less disparate impact. National board skill standards would reverse that situation.

Many judges would defer to the national board's judgment on skill standards, even in the absence of evidence that its standards are appropriate—just as courts continue to defer to the Equal Employment Opportunity Commission's onerous technical requirements for defending the legality of employment tests even though those requirements conflict with accepted professional practice. Thus, the national board's skill standards would become the "alternative" against which all selection procedures would be judged.

Employers who set higher standards than the board's would be vulnerable to discrimination lawsuits because more demanding standards tend to have more adverse impact. Moreover, such employers certainly would have been aware of the

national board's putative "alternative," and so would be guilty of intentionally ignoring it in favor of a more "discriminatory" one. (Worse yet, losing a suit alleging intentional discrimination, as opposed to disparate impact, carries the risk of punitive damages.) The national board's voluntary floor would thus become the legal ceiling for skill standards.

It's unclear how low the board would set skill standards. But the standards would have to be quite low to eliminate adverse impact, because current skills gaps among different racial-ethnic groups, for whatever reason, are quite large.

The National Assessment of Educational Progress (NAEP), which is conducted for the Department of Education by the Educational Testing Service, has documented large gaps on specific skills and knowledge among high-school students. Throughout the 1980s, for example, black 17-year-olds (excluding dropouts) had proficiency levels in math, reading, science and other subjects that were more comparable to white 13-year-olds than white 17-year-olds.

Huge Gaps in Skills

A 1987 NAEP report found similarly large gaps in the functional literacy of young adults age 21 to 25. The average black college graduate could comprehend and use everyday reading materials, such as news articles, menus, forms, labels, street maps and bus schedules, only about as well as the average white high-school graduate with no college. In turn, black high-school graduates functioned, on the average, only about as well as whites with no more than eight years of schooling.

The pervasiveness of such huge gaps in current skills and knowledge explains why employment tests typically have disparate impact, especially in mid-to-high-level jobs. Mr. Clinton's original bill would have eliminated disparate impact by boosting the scores of less skilled groups to meet a higher common standard. By contrast, his amended bill would slide the common standard down to where the least skilled groups could meet it. In effect, the administration has simply replaced a mandate for "double-standards race-norming" with one for "no-standards race-norming."

Ms. Gottfredson is a professor in the department of educational studies of the University of Delaware.

Chase

What's our question?

THE PRESIDENT HAS SEEN

Halston

CR



THE WHITE HOUSE
WASHINGTON

DATE: 06/16/93

NOTE FOR: LAURA TYSON

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 CHAIRMAN

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

03 JUN 15 P1:48

June 15, 1993

MEMORANDUM FOR THE PRESIDENT

FROM: LAURA D. TYSON *LD*
RE: Answer to Your Question about NAFTA

Attached please find a memo to you from Dr. Sherman Robinson answering your queries on a recent discussion of the pros and cons of NAFTA that appeared in The New Republic. (Where do you find the time to read?) Dr. Robinson is working for the CEA and the USTR for the next few months. He is an outstanding scholar and researcher who has worked extensively on both NAFTA and the Uruguay Round.

C.C. The Vice President
MACK
George
David G.
Bob Rubin

Memo on Timber in Spotted Owl Region May Hurt Clinton's Bid for Compromise

By ROSE GUTFELD

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON — The Clinton administration is finding there's less timber available for harvest in the spotted owl region than had been believed — a finding that could complicate its search for a compromise in the long-running dispute over Pacific Northwest forests.

The reassessment, disclosed in an internal administration memo, suggests that the White House is likely to support lower harvest levels than industry groups are demanding. At the same time, it could reduce the chance that the administration will favor setting aside reserves that are off-limits to cutting, a major goal of environmental groups.

"The report we got indicates that the Forest Service has been overestimating harvest levels," said Marla Romash, a spokeswoman for Vice President Al Gore and the White House environmental policy office. "We're taking steps immediately to investigate discrepancies on a forest-by-forest basis."

Problem for President

The analysis underscores the difficulty the White House faces in fashioning a spotted owl plan that will meet President Clinton's pledge to balance economic and environmental interests and "break the logjam" over timber policy. The new plan, promised at a forest conference in Portland, Ore., last April, probably will be unveiled next month.

James Lyons, assistant agriculture secretary for natural resources and environment, said, "It makes a difficult situation worse . . . The starting point is considerably lower than we thought it was." The Forest Service is an arm of the Agriculture Department.

Since the Interior Department declared the owl a threatened species in 1990, courts have been putting millions of acres off-limits to logging in the Northwest. The result has been staggering unemployment in some areas and intense bitterness between conservationists and the timber industry and its workers.

The administration's memo is based on an analysis conducted by its scientific team, one of several working groups on the issue.

Growing Discrepancy

Forest Service estimates have been criticized before by environmental groups and others. The memo says that a 1991 report to Congress by a panel of scientists found that sustainable harvest levels in the Pacific Northwest region were on average 15% lower than Forest Service estimates. Now, the memo says the discrepancy has grown, citing forests where the amount of harvestable timber is 20% to 40% below Forest Service estimates.

"Regionwide, the reduction is closer to 33% rather than 15%," it says.

"This is troubling," said Michael Matz, who works on public lands issues for the Sierra Club, an environmental group. "It means the administration may try to adopt an approach that doesn't allow for a [no-harvest] reserve, and that does offer more timber for sale than the ecosystem can handle."

Mark Rey, a vice president at the American Forest and Paper Association, questioned the validity of the new analysis. "I'm skeptical of a desktop analysis performed in 50 days having significantly more credibility than field analyses that took the better part of five years to do," he said.

The memo contends that several factors explain the overestimates by the For-

est Service. It says that the agency assumed that some roadless areas would be subject to cutting, even though those areas were withdrawn from production. The agency also incorrectly included areas that lie between no-harvest buffer zones and couldn't be cut for logistical reasons, it says.

The memo cites other technical explanations, including an inaccurate counting of forests that are only partly in the spotted owl region.

THE WALL STREET JOURNAL WEDNESDAY, JUNE 16, 1993

Trade Deficit in 1st Period Narrowed to \$20.91 Billion

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON — The deficit on the broadest measure of U.S. trade, the current account, narrowed to \$20.91 billion in the first quarter from \$23.69 billion in the fourth quarter of last year, the Commerce Department said.

An increase in the trade deficit in goods was more than offset by an increase in the surplus in services, a shift to a surplus in the flow of investment income and a decline in U.S. government grants and similar payments to foreigners, the department said.

Revising previous measures, the department said foreigners put \$2.38 billion more into U.S. factories, real estate and corporations than they pulled out in 1992. In March, the department estimated foreigners took out \$3.95 billion more than they put in; that would have been the first such reversal in decades. Net foreign direct investment in the U.S. in 1992 was much less than in the late 1980s.

In the first quarter, net foreign direct investment rose to \$4.49 billion from \$3.09 billion in the fourth quarter.

Foreign purchases of Treasury securities and other U.S. securities fell sharply. Foreigners invested \$14.18 billion in Treasury securities in the quarter, down from an unusually large \$21.23 billion in the fourth quarter.

The U.S. trade deficit in goods amounted to \$29.07 billion in the first quarter, much wider than the \$25.95 billion in the fourth quarter. The surplus in services, which includes travel, royalties and insurance, among other things, amounted to \$14.62 billion, up from \$13.43 billion the previous quarter.

THE PRESIDENT HAS SEEN

6-16-93

Clinton Is Expected To Choose Harris For Justice Position

By JOE DAVIDSON

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON — President Clinton is expected to nominate Jo Ann Harris, a New York City white-collar criminal defense lawyer, to head the Justice Department's criminal division.

Ms. Harris, 60, also is a professor at Pace University School of Law in White Plains, N.Y. She worked for the Justice Department from 1974 to 1983 in various capacities, including chief of the fraud section and executive assistant U.S. attorney in the Southern District of New York.

In her private practice, Ms. Harris represents clients in tax, securities, anti-trust and fraud cases. She was a journalism graduate from Iowa State University in 1955 and graduated from New York University School of Law in 1972.

Mr. Clinton also is expected to appoint Doris Meissner as Immigration and Naturalization Service commissioner. Ms. Meissner, currently director of the immigration policy project at the Carnegie Endowment for International Peace, worked at the Justice Department on immigration issues from 1974 through 1986, including a stint as acting INS commissioner.

Separately, Mr. Clinton said he intends to nominate Jeffrey Garten, a former partner at Blackstone Group, an investment banking firm, as undersecretary for international trade at the Commerce Department, filling an important void.

The nomination is an integral step toward elevating the department's role in trade matters. Commerce Secretary Ron Brown's difficulty filling the trade post and the recent withdrawal of his nominee for deputy secretary, former Cray Research Inc. chief executive John Rollwagen, had hurt the agency's stature.

Mr. Garten would be yet another administration official plucked from Wall Street. He is a former partner of Deputy Treasury Secretary Roger Altman, and is currently a finance and economics professor at Columbia University.

Mr. Garten opened the Japanese office of Shearson Lehman Brothers Inc., an American Express Co. subsidiary, and lived in Tokyo for three years. He recently presented a somber view of U.S. relations with Japan and Germany in a book called "A Cold Peace."

In his post, Mr. Garten would head the International Trade Administration. Mr. Brown was running into trouble wooing people for that job, with several trade experts turning down the offer or pulling their names from consideration. They included Goldman, Sachs & Co. executive Robert Hormats, Massachusetts Institute of Technology economist Rudiger Dornbusch and M.I.T. Sloan School Dean Lester Thurow.

—Asra Q. Nomani contributed to this article.

22

~~Buy~~
for Mr. Miller
R

THE PRESIDENT HAS SEEN
6-16-93

⑥ Bonnie & Nathan
6 mos. from now -
THE WHITE HOUSE
WASHINGTON
⑦ Murkin

~~Atkins~~

Kuiniya can

⑧ Can work things
out re: proliferation
we know a deal w/
F-16 sales to TW -
very - give shorter
things over to TW
will break logjam
ask for facts -

- ④ I shall see Chin. Amb. to
Subst. down
- ⑤ Trade - soluble
- ⑥ Hume As - delicate - let them
come up w/ ideas

⑤ ⑧ Can't let USSR get
nukes - Japan will follow -
then arms race -
LOOK ON NOUS
China will cooperate -

Clinton's Principle Problem: Making a List, Not Checking It

By David Von Drehle
Washington Post Staff Writer

The ultimate detail guy, President Clinton, man of a million statistics, is refashioning himself in the battle of the budget. Detail Man is now Mr. Broad Brush. He no longer talks nuts and bolts. He talks Principles.

Given the fray on Capitol Hill—where the details of Clinton's budget are being gnawed, nibbled, even annihilated, in the time-honored American way—it makes political sense to step back. Clinton needs to talk about the essential framework of his proposal, because by the time Congress is finished there might be little but framework left.

But there is a problem with the new approach. Try as he might to drive home broad ideas by simple repetition, he seems compelled to complicate his themes.

The president tried out his new strategy on May 28, during a brief speech at Philadelphia's City Hall. The day before, his budget had squeaked through the House and now the focus was turning to an even tougher fight in the Senate.

"We must work to pass the bill

that meets these principles," Clinton intoned. "The wealthy must pay their fair share. We have to reduce the deficit by \$500 billion. We have to keep the incentives for people to invest in our jobs and in our cities. And we've got to give people incentives to move from welfare to work."

The four Clinton Principles took reporters by surprise. True, list-making has been a favorite device of presidential rhetoric from Woodrow Wilson's Fourteen Points for World Peace to George Bush's Five Pillars of American Renewal. But making lists and sticking to them seemed out of character for the improvisational, cajoling Clinton.

Examined, the list was a window on where the budget battle was heading. Clinton did not include his controversial "Btu tax" as a fundamental principle. The president was already distancing himself from that doomed proposal. But welfare reform, popular among the conservative Democrats whom Clinton needed to woo, made the list. Up to then, the president had generally treated welfare reform as a goal separate from his budget.

Paul Begala, a presidential guru on matters rhetorical, explains that the principles were introduced to get the country looking on the bright side of the Clinton budget. "The American

people need to know what is driving this package," he says. "They know parts of this are unpopular. So why, they ask, is he doing it?"

But coverage of the Philadelphia speech was overwhelmed by a wave of reports that Washington insider David R. Gergen was joining the White House. The principles faded from view. Now, with the official death of the Btu tax, they're back.

On Tuesday, Clinton shrugged off the compromises he is making in the

Detail Man is now Mr. Broad Brush.

Senate. "We just need to hold onto the principles," he said. "There ought to be \$500 billion in deficit reduction and it ought to be in a trust fund . . . and the tax burden ought to be progressive. . . . And we ought to keep the incentives for private sector growth there, for moving from welfare to work, for investing in the depressed areas of the country, starting small businesses."

The list was essentially the same as before, except for the addition of the deficit "trust fund." But moments later, Clinton said this: "I'm

interested in the principles of the program: deficit reduction, lower interest rates, job growth."

A completely new list.

The same day, press secretary Dee Dee Myers added to the list of principles "a broad-based energy tax, one that's fair and one that will encourage conservation," and Office of Management and Budget Director Leon E. Panetta had it on his list yesterday.

Myers also said the earned-income tax credit is a principle, and Clinton seemed to agree when he told an audience in the Rose Garden "we will fight for . . . the first incentive in the history of the United States of America to lift the working poor out of poverty by using the tax system."

The latest version came yesterday afternoon, in a speech to a gathering of the country's top business executives. "Because there have been so many distortions," Clinton said, "I'd like to go back through this program one more time to tell you about the principles that have preserved this plan. . . ."

Then Detail Man took over, and for paragraph after paragraph, Clinton tracked trends on line graphs, pondered ratios, detailed pet programs, lectured on history. At last he wheezed full circle. "Here's what I think ought to come of all that:

" . . . We should have \$500 billion in overall deficit reduction. All the cuts and the taxes ought to be put in a trust fund. . . . It should be progressive. We should leave the empowerment initiatives in there. The empowerment zones, the small business incentives, the new business incentives, the changes in the alternative minimum tax . . . I believe there must be some sort of broad-based energy tax."

Scorecard: Since the Philadelphia speech, the deficit trust fund and the "broad-based" energy tax have been added as principles. The earned-income tax credit, welfare reform and interest rates have come and gone.

Kathleen Hall Jamieson, an expert on presidential communication, says that lists of principles don't work anyway. "One principle might work, but 'the fact that Clinton didn't start by articulating a clear set of principles means that any list now is suspect,'" she says.

Jamieson contends Clinton would be better off telling it like it is: To govern, in a democracy, is to compromise. "And the ultimate principle for the Clinton administration is: We're gonna get it through. Because he can't afford the prospect—and the country can't afford the prospect—of it not getting through."

Gergen/Gearon
worth reading

Owen Harries

Shattered Illusions ✓

For the people of Bosnia, the failure of Western countries to resolve their crisis and end their suffering is tragic. For the West itself, that failure may in the end have a beneficial effect. The crisis has shattered two dangerous post-Cold War illusions. In international politics, the destruction of illusion is almost always healthy, and to have it done early and as a result of a peripheral conflict, rather than late and in a geopolitically vital crisis involving major actors, is a piece of luck.

The first of these illusions was the belief that "Europe" had emerged as a purposeful leading actor on the world stage, one with a unified will and the means of giving it effective expression. A bare year and a half ago, this was conventional wisdom. After Maastricht, it was asserted confidently, Europe would form the single largest economic and political unit in the world. And as economic power was now the essential currency of international politics (another piece of the new orthodoxy), this would ensure Europe's immediate political equality and ultimate superiority vis-a-vis the United States. More specifically, freed of the Soviet threat and dependence on American protection, Europe would clearly play the leading role in dealing with the countries of Eastern Europe and the old Soviet Union.

"With the end of the Cold War, the United States left the realm of necessity and entered the realm of choice."

That was yesterday. Since then the economies of Europe have all faltered badly and show no sign of imminent recovery; Maastricht has become a symbol of division rather than unity; Europe's political leaders and processes have lost respect and support; and an ugly, quasi-fascist populism has gained ground through the continent. Then, faced with its first major test, in the form of a nasty but second-order crisis at its own backdoor, this new "giant" failed miserably and comprehensively to cope with it. History will have to wait awhile for an effective, united "Europe."

The second and competing illusion that has been badly—one hopes fatally—damaged by Bosnia held that, in the absence of its Soviet rival, the United States as the sole remaining superpower would be able to impose its will and leadership all over the globe. That this view was widely held in the euphoria immediately following the end of the Cold War was understandable. That Operation Desert Storm gave

it superficial credibility was unfortunate. That the Bosnian fiasco has imposed a reality test that exposes its falsity is all to the good.

The ineptitude and vacillation of President Clinton and Warren Christopher—which cost the United States dearly in prestige, that useful supplement to power—should not disguise the fact that a major American intervention in Yugoslavia was never on. The national interest did not require it, the political support for it did not exist and could not be mobilized, and the state of the economy did not permit it.

Operation Desert Storm—which involved oil, open terrain and an unrepeatable \$60 billion subsidy from allies—offered no "prototype." One of the best-informed and most honest supporters of intervention in Bosnia—retired general William Odom of the Hudson Institute—conceded early on that effective intervention would require the commitment of 300,000 to 400,000 troops for be-

tween one and two decades! And this was for just one small portion of the Balkans.

The United States was able to sustain a policy of almost indiscriminate interventionism for 50 years because the American people believed—rightly in my opinion—that the country was engaged in a great moral and ideological struggle for survival, and they committed themselves to prevailing in that struggle. Absent that belief and commitment, a policy of global interventionism (a.k.a. "leadership") is not sustainable—even if the necessary economic resources for such a policy were available, which they are not.

With the end of the Cold War, the United States left the realm of necessity and entered the realm of choice, where the key word is not "and" but "or," and the key question is not "how?" but "why?" This is what, in essence, Undersecretary of State Peter Tarnoff said in his recent off-the-record remarks. For his pains he was immediately disowned by the administration and has since been denounced as an isolationist by the foolish. But it is what the president should be saying on the record in the most forceful and eloquent language he can find—and sooner rather than later, he will have to.

The writer is editor of the National Interest.

Bony steel - interesting piece - B.

WEDNESDAY, JUNE 16, 1993 THE WASHINGTON POST

THE PRESIDENT HAS SEEN

6-16-93

George F. Will

Government as Venture Capitalist ✓

At the Cato Institute, a libertarian think tank here, a recent lecturer drolly introduced himself in language fashionable in Clinton's Washington: "I am an excess of the 1980s."

He is T. J. Rodgers, president and CEO of Cypress Semiconductor, which he founded 10 years ago with one used computer and no other employee. He is one of those who, in Clinton's words, "profited most from the uneven prosperity of the last decade." (A question: What would "even" prosperity look like?)

Today he is wealthy. But forgive him that sin. His company, which has paid \$60 million in taxes, has created 1,500 jobs for employees who have paid \$150 million in taxes. They all own Cypress stock, which has generated today's market value of \$500 million for shareholders.

"Venture experts," he says, "are wrong more often than they are right. But surely they are right more often than Washington would be." If that thought is sensible, the proposed National Competitiveness Act (H.R. 820) is not.

It would get government deeply into business as a venture capitalist, providing loans to, and buying preferred stock in, venture companies. This capital allocation would be done by the

Commerce Department, currently run by Ron Brown, the former lobbyist and head of the Democratic National Committee. H.R. 820 could be a political slush fund for compliant companies.

If so, it might achieve the near impossible—making the Commerce Department's record even worse than it is. More than half the almost \$1.2 billion lent by Commerce in the last two decades is in default. In the 1970s the Economic Development Administration at Commerce lent \$471 million, of which just \$60 million has been recovered. And what is the penalty for such failure in Washington? A reward, such as H.R. 820's fresh infusion of taxpayers' dollars. Do you wonder why there is so much failure in Washington?

Rep. Chris Cox (R-Calif.) notes that H.R. 820 would add more than \$1 billion to the deficit in 1995. It would do so by authorizing the government to buy 20 percent of the equity capital in venture firms and to guarantee the dividends on preferred stock. "I suppose, therefore," Cox says with tart irony, "it is fitting that this bill is called the National Competitiveness Act, because it will give most private firms the opportunity to compete with government-subsidized securities."

Or perhaps H.R. 820 should be titled The

Wesley Mouch Memorial Bill. "This whole plan," says Cox, "reeks of special interest favoritism and make-work waste for bureaucrats. Anyone who has read Ayn Rand's 'Atlas Shrugged' will see frightening similarities between this statist scheme and the disastrous projects of the novel's arch bureaucrat, Wesley Mouch."

But Cox's preferred title for H.R. 820 is The Jurassic Park Act because it will squander money cloning "new industrial dinosaurs." The bill's premise is that Commerce bureaucrats and political operatives make better investment decisions than do authentic venture capitalists and authentic investors when putting their own money at risk.

But when private investors guess wrong, the market liquidates their mistakes. When government capital-allocators guess wrong (as they are bound to do much more often than private investors, whose calculations are not colored by politics), the government just re-labels its mistakes as "jobs programs" and pours in more money to keep them afloat.

Cox quotes Don Valentine, a venture capitalist who helped launch a number of venture companies, including Apple Computer: "To Washington I say, please do not help us. The world of technolo-

gy is complex, fast-changing and unstructured. It thrives best when individuals are left alone to be different, creative and disobedient. Go help all the people who know how pork works and who want to be taken care of. But please do not help us."

Of course Cox and others have argued in vain. The Democratic-controlled House passed H.R. 820, not to enhance competitiveness but to concentrate yet more power in Washington, further permeating American economic life with the inefficiencies of politics.

Consider. Clinton wants to raise the top tax rate on the wealthy who do a disproportionate share of the nation's investing; and he wants to impose a 10 percent surcharge on those who have the most to invest; and he wants to increase the corporate rate; and he wants to keep high the capital gains tax rate that punishes people who increase the value of an enterprise. And yet he has the brass to say H.R. 820 is "wise," presumably because venture capital formation is inadequate. H.R. 820 is a paradigm of government fattening itself by pretending to cure problems it causes.

So, which do you prefer, T. J. Rodgers, the self-described "excess of the 1980s," or H.R. 820, a sample of the excesses of the 1990s?

Boring
What is this?

THE PRESIDENT HAS SEEN

6-16-93

THE WASHINGTON POST THURSDAY, JUNE 10, 1993

**THE WHITE HOUSE
WASHINGTON**

DATE: 06/16/93

NOTE FOR: MACK MCLARTY

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

Information ☒ XXX

Action ☐

Thank you.

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

cc:



THE WHITE HOUSE

WASHINGTON

6/15/93

Dear Helen -

I loved the grade
school picture and the account
of your sojourn at Decker School.

We're plugging away.
Keep in touch with Helen on your
ideas.

Sincerely
Bill

PS Love that's so beautiful

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

Mr. Michael L. Beatty
The Coastal Corporation
Nine Greenway Plaza
Houston, TX 77046



May 24, 1993

Thomas F. McLarty III
Chief of Staff
The White House
1600 Pennsylvania Ave.
Washington, DC 20500

Dear Mack:

Last Friday, the President learned that while he went to Miss Mary's kindergarten in Hope with his Chief-of-Staff, ~~he went to Ramble Elementary School in Hot Springs with his almost-but-not-quite Deputy Secretary of Energy.~~ I am enclosing my class picture from the second grade which I would appreciate you sharing with him. I am the adorable child in the upper right-hand corner with ears like Prince Charles who was, at the time, orthodontically challenged. Lisa Hurst, my love of that era, who the President mentioned had married an auto-parts store owner in Missouri, is second from the right on the bottom. He should recognize most of the members of Mrs. Orr's second grade class. Actually, that was my last year at Ramble, and since he was a year ahead and didn't come until his fourth grade, we just missed each other. Nonetheless, I take credit for preparing the school for his arrival.

I wish I could help at this critical juncture with the energy tax. I mentioned to the President that he shouldn't be angry with Boren, Breaux and Johnston, but he appeared to be willing to forgive only Breaux. A compromise is clearly there, although I realize the timing problem with the House vote coming up on Thursday. I think everyone agrees an energy tax is necessary, we just need the right combination. I know most of their staffs and if there is anything I can do, I will fly to Washington immediately and help in whatever way I can.

Two final ideas you may have already considered. The 1970 Report of the Working Party on Border Tax Adjustments (part of GATT) endorses a tax on any imported good to offset the burdens on domestic commodities. Thus, a sales tax, excise tax, severance tax, production tax, consumption tax on drilling equipment, or tax on services applicable to domestic production may be the basis for a tax adjustment on imported crude oil. Moreover, the imbedded environmental costs on refined products may also be a basis for adjustment on imported refined products. These tax adjustments would never have the problem of whether they fall within the conservation or national security exceptions to GATT policy, although they could never raise as much as a straight import fee.

Mack McLarty
May 24, 1993
Page 2

Second, the 1992 Draft Directive of the European Community indicates that their proposed BTU tax will be offset by decreases in other taxes. The decreased taxes, however, only affect domestic production. The net effect is an increased tax only on the imported production. This technique would certainly quiet many of the tax critics.

Both of these may help in bridging the deficit canyon we all agree needs to be crossed. Finally, on the political side, as part of a compromise on the BTU tax, the President could cut the super conducting super collider and delay the space station. It will more than offset the appearance of capitulation to the energy states, which would be intolerable, and show a seriousness about meeting the deficit goals.

You are all in my prayers and I'm serious about helping however you want.

Very truly yours,

A handwritten signature in dark ink, appearing to be 'M. Beatty', written over a horizontal line.

Michael L. Beatty

THE WHITE HOUSE
WASHINGTON

DATE: 06/16/93

NOTE FOR: SECRETARY RON BROWN

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

DATE: 06/16/93

NOTE FOR: DEPUTY SECRETARY CLIFF WHARTON

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:



Shou hui
Letter to
Wheaton, Connery
Set Brown, our
Reply given her
Letter of following



THE WHITE HOUSE
WASHINGTON

June 14, 1993

Mr. John F. McDonnell
McDonnell Douglas Corporation
Post Office Box 516
Saint Louis, Missouri 63166-0516

Dear John:

Thank you for your thoughtful letter on the importance of the Asia-Pacific region to U.S. export interests. I'm pleased that General Electric is competing for Malaysian procurement contracts.

I share your appreciation for Prime Minister Mahathir's efforts to chart a successful course for Malaysia. I look forward to strengthening our ties to that country when Deputy Secretary Wharton visits Kuala Lumpur later this month, and when Secretary Christopher meets with Foreign Minister Abdullah in late July. These visits will give our governments important opportunities to deepen understanding on the full range of global and bilateral issues.

I am committed to supporting American business in its efforts to compete aggressively overseas. I appreciate your advice and encouragement on these vital issues.

Sincerely,

Bill

THE WHITE HOUSE
WASHINGTON

June 14, 1993

Mr. John F. Welch, Jr.
Chairman and Chief Executive Officer
General Electric Company
Fairfield, Connecticut 06431

Dear Jack:

Thank you for your thoughtful letter on the importance of the Asia-Pacific region to U.S. export interests. I'm pleased that General Electric is competing for Malaysian procurement contracts.

I share your appreciation for Prime Minister Mahathir's efforts to chart a successful course for Malaysia. I look forward to strengthening our ties to that country when Deputy Secretary Wharton visits Kuala Lumpur later this month, and when Secretary Christopher meets with Foreign Minister Abdullah in late July. These visits will give our governments important opportunities to deepen understanding on the full range of global and bilateral issues.

I am committed to supporting American business in its efforts to compete aggressively overseas. I appreciate your advice and encouragement on these vital issues.

Sincerely,



ROUTING SLIP

*Paul
red dot see
turn NSC*

FROM: Mack McLarty
Chief of Staff

DATE: 5/24

24 P5:35

TO:

The President _____

Sandy Berger _____

Rahm Emanuel _____

Marcia Hale _____

Alexis Herman _____

Nancy Hernreich _____

Anthony Lake _____

Bruce Lindsey _____

Regina Montoya _____

Roy Neel _____

Bernie Nussbau _____

Vice President Gore _____

Howard Paster _____

John Podesta X

Carol Rasco _____

Bob Rubin _____

Eli Segal _____

George Stephanopoulos _____

Christine Varney _____

David Watkins _____

Maggie Williams _____

OTHER _____

FOR YOUR:

Action _____

See me _____

Information _____

F

Please handle as you deem appropriate.

MCDONNELL DOUGLAS

McDonnell Douglas Corporation

11 May 1993

JOHN F. McDONNELL
Chairman and Chief Executive Officer

The President
The White House
Washington, DC 20500

Dear Mr. President:

We are writing to urge your support for improved relations with the Government of Malaysia in order to enhance both nations' mutual economic interests.

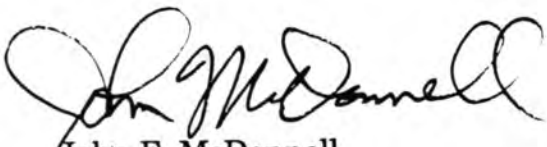
We concur with the statements made by your new team that there is no other region more important for the United States than Asia and the Pacific. In the future, due to their dynamic economies, social vision and geopolitical security interests, no region will be as important. The need to integrate our economic and security policies is clear. Bold efforts and approaches to future cooperation in the region should be priority agenda items.

As you know, Malaysia is a rapidly developing country with an economy among the most dynamic in the world. This situation presents great opportunities for U.S. companies to make major export sales. Each of our companies is currently bidding on several billion dollars worth of business in Malaysia. Winning these contracts would be a significant boost to our workers and the domestic U.S. economy, particularly the challenged aerospace industry.

The Prime Minister of Malaysia, Dr. Mahathir, not only provides stable political leadership to Malaysia, but also is guiding their overall industrial policy. United States support of his Vision 2020 will provide the first step in the implementation of Malaysia's strategic road map.

We have been pleased to see your Administration moving toward an improved relationship with the Mahathir government. However, Dr. Mahathir places great importance in personal relationships, and we are convinced that the U.S. would gain extraordinary benefits from a personal meeting between you and the Prime Minister. We believe time is of the essence in this matter, and you have our assurances that we will assist in any way possible to foster closer ties between our nation and Malaysia.

Sincerely,



John F. McDonnell
Chairman and Chief Executive Officer
McDonnell Douglas Corporation



John F. Welch, Jr.
Chairman and Chief Executive Officer
General Electric Company

THE WHITE HOUSE
WASHINGTON

DATE: 06/16/93

NOTE FOR: MICKEY KANTOR

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

Information ☒

Action ☐

THE WHITE HOUSE
WASHINGTON

DATE: 06/16/93

NOTE FOR: SECRETARY RON BROWN

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

Information ☒

Action ☐

Henry Kissinger ✓

Why We Can't Withdraw From Asia

President Clinton's statesmanlike decision to extend Most Favored Nation treatment to China while deferring the specific conditions for it for a year buys time for both sides to deal with this paradox: Stability in East Asia demands a closer political relationship between Japan and the United States and that, in turn, requires a constructive Sino-American relationship. Without both of these elements, America's Asian policy will falter. Unfortunately, at this moment America refuses ministerial contacts with China and is heading for confrontation with Japan.

On every continent, the end of the Cold War has led to a resurgence of nationalism. Asia is prone to a particularly virulent form of it because it has no institutions like NATO, the European Security Conference or the European Community, which have mitigated national conflicts in Western Europe.

American disengagement, in whatever guise, would lead to disaster. The various Asian powers have such divergent purposes and traditions that America is needed to mitigate their competition and to develop cooperative purposes. Such an American role is desired by all of the Asian nations.

For 400 years before it was forcibly opened by Commodore Matthew Perry, Japan had insulated itself from the outside world. It gratified its military tradition by civil wars and grounded its internal structure on pride in its singularity. This explains why Japanese foreign policy is conducted like a family enterprise operating in a world of potential adversaries perceived as forever remote. Such a society finds calculations of costs and benefits more persuasive than abstract invocations of world order.

These calculations are bound to be different in the post-Cold War era. During the Cold War, Japan, abandoning its historic self-reliance, nestled under the protection of the United States. A determined economic competitor, it nevertheless subordinated its foreign and security policies to those of the United States. With security threats identified as coming from the Soviet Union, America's interests were perceived to be symmetrical with Japan's.

That attitude is unlikely to continue. Korea and China are gaining in military strength, and the most unimpaired portion of Soviet military power is located in Siberia. Under post-Cold War conditions, Japanese long-range planners will not believe that they can always rely on America to perceive Asian rivalries from their perspective. Washington will deny this vociferously, and I personally believe the protestations. But reassurances lose their persuasiveness when every incoming administration begins by proclaiming a reassessment of existing policies and confrontation becomes the rule rather than the exception. It can be no accident that the Japanese defense budget has been creeping upward, making it already the third largest in the world (and, given Soviet internal problems, perhaps the second-most effective).

A few weeks ago, Japanese Prime Minister Miyazawa was asked whether Japan could accept a North Korean nuclear capability. He answered in a very un-Japanese way with the single lapidary: "No." Did this mean that Japan would seek to develop its own nuclear capability? The mere fact that this question can be asked suggests the possibility of a Japan cut loose from American security and foreign policy moorings. Were this to happen, we would remember the current, largely economic, tensions with nostalgia.

The degree of Japanese autonomy and the kind of policy it supports depend crucially on the nature of Japanese-American relations. This imposes two requirements on the United States: to continue American engagement in Asia—symbolized by an American military presence—and to strengthen and redefine the Japanese-American alliance. When Japan and America formulate their policies in concert, Japan's incentive to build up its military power will be reduced, and its impact on the rest of Asia will be far less disturbing. Without an American military presence, declarations of America's interest in Asia will not be believed, and Japan will be increasingly tempted into nationalist security and foreign policies.

Economic rivalries between Japan and the United States should not overshadow political necessities. Japan must find a way to moderate predatory economic nationalism. America should end the current stridently confrontational style that will spur American isolationism and Japanese nationalism.

Above all, a new dimension must be given to political dialogue and to the coordination of foreign policies, especially in Asia. A useful symbol would be continued American support for admitting Japan as a permanent member of the U.N. Security Council. Greater patience with cultural differences on both sides would surely help. America relies on decision-making by authority; Japan on decision-making by consensus. When an American leader expresses agreement, he foreshadows action; when a Japanese leader says "yes," he is conveying a mood. President Clinton's visit to Tokyo for the G-7 meeting in July provides a good opportunity to signal a more long-term approach.

America must understand, too, that its attitudes toward Korea will decisively affect American relations with Japan. The Japanese sensitivity to developments on the Korean peninsula imposes certain requirements on the United States: Troop withdrawals of any magnitude from South Korea are likely to be interpreted as the beginning of American disen-

agement from Asia. They must in no case be linked with the attempt to induce North Korea to remain non-nuclear. American military disengagement in Korea would almost certainly accelerate Japanese rearmament, and with it that of other Asian countries.

We must have no illusion: Failure to resolve the North Korean nuclear threat in a clear-cut way will sooner or later lead to the nuclear armament of Japan—regardless of assurances each side offers the other. The North Korean nuclear threat must therefore be ended within a measurable period of time. Too many concessions to Pyongyang will only encourage other nations to blackmail us by entering the nuclear field.

Equally important for Asian stability is the U.S. relationship with China. Before the 19th Century, China never encountered a country capable of contesting its preeminence in Asia. The notion of the sovereign equality of states therefore never established itself; diplomacy was used to play off distant barbarians against those nearby. As a result, China's experiences with the outside world since the 19th Century are perceived as an endless series of humiliations. This has generated extraordinary sensitivity to what are perceived as Western attempts to prescribe Chinese institutions and practices.

Above all, the vitality of the Japanese alliance depends crucially on the nature of Sino-American relations. Japan has had a long historical relationship with China and feels a considerable affinity to its culture even while torn by profound ambivalence about the recent past. Tension between China and the United States tempts Japan into acting as mediator, which in practice implies a degree of dissociation from the United States. Moreover, Japanese mediation could easily generate temptations to achieve hegemony in Northeast Asia. Good relations with China are therefore absolutely essential to long-term good relations with Japan.

China is important as well for America's overall policy in Asia. I know no Asian country that would be—or could afford to be—unambiguously supportive of America in any political confrontation with China that is perceived as having been initiated by the United States. All would dissociate from us in a greater or lesser degree, however they might hate doing so. For nearly every country also looks to America to create a framework in which neither China nor Japan dominates.

China wants America to remain engaged in Asia for the same reason. It recognizes that America is needed to balance Japan and a possibly re-emerging Russia, and that America is in the best position to do so by maintaining close relations with each of these neighbors of China. But a policy of ties with countries simultaneously perceived as potential threats to Chinese security requires careful and regular synchronization of Sino-American policies.

Nothing is more grating to the Chinese than U.S. refusal to engage in regular Cabinet-level discussions—a position America never took toward the Soviet Union even at the height of the Cold War. A top priority must be to restore a high-level dialogue, not as a concession to Beijing but because the long-term interests of the United States demand it. There are in fact few clashing Sino-American interests other than human rights.

This is not the place to debate the exact priority of human rights in American policy; America, to be true to herself, will always have to stand for freedom and human dignity. The challenge is to relate these goals to the whole range of American purposes.

President Clinton's decision to postpone implementing conditions on human rights in China shows a way out. One of the most creative aspects of his executive order was to remove the issue of missile proliferation and trade from the agenda of conditionality. It means that America will continue to pursue these issues by normal diplomatic means rather than by attaching conditions to MFN. The year's breathing space should be used by both sides to achieve the same approach with respect to the issue of human rights.

China must understand that even those of us who have reservations regarding conditionality on MFN believe that the president should not abandon his basic convictions. In turn, the administration must enable China to respond to American concerns without appearing to yield to outside pressures. As part of this delicate procedure, the administration must make clear that its conditions are not open-ended and that once one set of conditions is met another will not replace it.

Once America has redesigned its relations with China and Japan, it will be able to go beyond a set of bilateral relationships and enable the nations of Asia to communicate with each other in some larger framework. In the long run, an Asian Security Conference including Russia and the United States could be an important first step in that direction.

One consequence of the end of the Cold War should be to give the Pacific equal priority with the Atlantic. Yet it has never had the sort of integrating concept that the Marshall Plan and other initiatives provided for Europe. That is the ultimate challenge before the United States and the nations of Asia.

The writer, former secretary of state, is president of Kissinger Associates, an international consulting firm with business interests in many countries abroad.

©1993, Los Angeles Times Syndicate

Tony
cc: Berman
Rosen
Alkaut

This is a very
good piece -
B.

THE PRESIDENT HAS SEEN
6-16-93

TUESDAY, JUNE 15, 1993

THE WASHINGTON POST

To Bill Galtou/Dr Red → This is good

THE PRESIDENT HAS SEEN
6-16-93

THE WASHINGTON POST

E. J. Dionne Jr.

Saving Cities: Is 'Kojak Liberalism' the Answer?

After the turn of the century, socialist mayors were elected in a host of American cities, not so much because voters wanted to turn the places into red citadels but because local socialists were regarded as more honest and efficient than either the Republicans or the Democrats. The socialists got the trash collected and kept the sewers in good repair. They thus entered history as "sewer socialists."

Richard Riordan, the newly elected mayor of Los Angeles, would seem to have nothing in common with the sewer socialists. A registered Republican who talked about crime and business confidence, he promised that he was "tough enough to turn L.A. around." Riordan won a significant minority of the Latino and Asian votes, but his vote was overwhelmingly white, middle class and relatively conservative.

Yet just as the municipal socialists heralded a broader movement toward urban progressivism 90 years ago, so does Riordan symbolize a back-to-basics mood in the cities now. Democrats and liberals who want to maintain their power in urban areas will lose more elections if they fail to respond. What the cities need are "Kojak Liberals," a movement that would draw its inspiration from the television cop (played by Telly Savalas) who was tough as nails but had a heart of gold.

Would-be Kojak Liberals could learn a lot from a recent lecture at the Smithsonian by Nathan Glazer, a Harvard sociologist who has been studying New York City for decades. Glazer's point was straightforward: Over the past 30 years, he said, New York City has spent a smaller share of its budget on the things local government knows how to do—putting cops on the street, picking

up the garbage, keeping libraries open and the parks clean—and more on things it doesn't know so much about, a range of social service programs.

Glazer was careful to note that the trends aren't all straight lines—spending increases were interrupted by recession and fiscal crisis in the 1970s, and spending on law enforcement has been rising recently. But the 30-year trends are unmistakable.

Glazer based his analysis on figures provided in an important recent book called "Power Failure: New York City Politics and Policy Since 1960." Its principal authors, Charles Brecher and Raymond Horton, suggest that the New York City experience has national implications, since the increase in local spending on social service programs in the 1960s was pushed along by the federal government. Washington provided extra money for such programs, but required city governments to kick in yet more from local taxpayers.

It's important to be honest about the implications of Glazer's argument. Social service spending has mostly benefited the urban poor and—perhaps at least as importantly—the providers (social workers, health administrators and the like) who served them. In the cities, the poor are disproportionately African

American and Latino. The social service jobs were an important source of African American upward mobility; they opened up just as racial barriers fell.

More traditional "basic services," on the other hand, help all classes, since rich and poor alike benefit from more cops on the beat and safer public parks. And despite recent gains, minorities have tended to have a smaller share of the basic services jobs. As a result, the basic-services-vs.-social-services argument can get very acrimonious, breaking down along lines of race, class, and source of employment (i.e., whether you work for local government or not).

Kojak Liberals insist that it's time to get past such arguments. In principle they're sympathetic to a whole range of programs for the needy. But they argue that for now, the biggest problems confronted by the inner city poor are created by rising violence and lawlessness.

This view accepts that poverty causes

crime. But it also holds that crime causes poverty. High crime rates make life miserable for the law-abiding majority among the poor. Crime is also a barrier to economic development and job-creation. Thus, Kojak Liberals are unabashed in saying that when it comes to priorities, law-enforcement and crime prevention get top billing.

Kojak Liberalism is not confined to older guys who are white ethnics and bald. But it may help to be a cop: Drug Czar Lee Brown and L.A. Police Chief Willie Williams, both African Americans, are certainly part of the breed.

They understand that liberals have been uneasy with the crime issue ever since Republicans used "law-and-order" as code for race in the 1960s. But they insist that crime is now a basic civil rights issue. Children of the well-off rarely worry about having their playtime interrupted by gun fights between rival gangs. For the poorest children, especially minority children, it happens a lot.

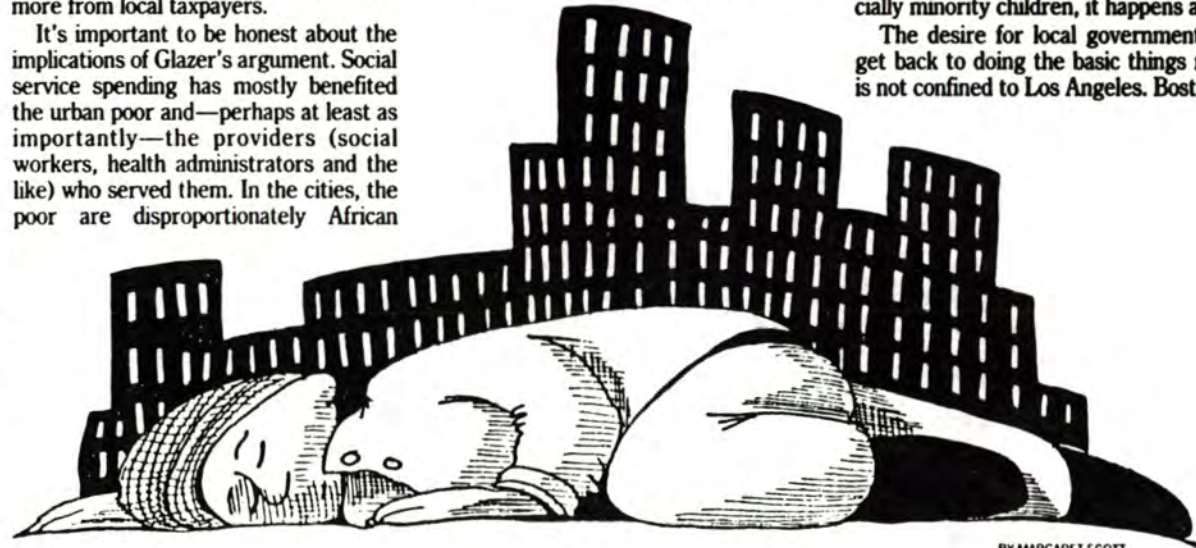
The desire for local governments to get back to doing the basic things right is not confined to Los Angeles. Boston is

about to have a special mayoral election, assuming Mayor Ray Flynn stays on track for his new job as ambassador to the Vatican. Writing in Sunday's Boston Globe, reporter Peter Canellos said the candidates are hearing the same "plea" and "threat" from more and more voters: "Free us from the fear of crime and give us better schools, or we will join the exodus to the suburbs as soon as we can muster the resources."

The issue here is not just "white flight" anymore but the flight of a middle class that includes African Americans, Latinos and Asians. Mayor David Dinkins, a longtime friend of social service spending who faces a tough reelection battle in New York City this year, knows this as well as anyone: He was careful in recent budget negotiations to protect spending on law enforcement.

The federal government, which helped boost social service spending in the 1960s, now needs to help on the basic services. In the short run, any help will do, including President Clinton's proposal to use federal money to put 100,000 more cops on the streets.

But in the long run, Washington needs to think about a reapportionment of responsibilities. If the federal government could ever liberate the states and cities from the huge costs associated with health care, it would free up a lot of money to make the streets safer, the parks cleaner, the cities more livable. However it gets done, the priority of restoring order in the cities ought to engage anyone who actually cares about those trapped in poverty. If they were still around, my guess is that the Sewer Socialists would be Kojak Liberals, too.



THE WASHINGTON POST

TUESDAY, JUNE 15, 1993

Can We Stop the Chinese Slave Trade?

By Marlowe Hood
and Willard Myers 3d

The boatload of illegal Chinese aliens that ran aground off Queens, together with other ships found full of hopeful immigrants, has reignited debate over the abuse of our disabled asylum system. But measures in Congress that would restrict access to political asylum and make it easier to exclude illegal immigrants are flawed. They would not significantly stem the flow and would make it harder for the many legitimate cases to get a fair hearing.

The Immigration and Naturalization Service wants us to believe today's wave of illegal immigration from China is unprecedented in scope. It is not. About 100,000 Chinese entered the U.S. illegally in 1987 and in 1991. But the I.N.S., which once cited these figures, now disowns them. It is trying to obscure the ex-

Marlowe Hood is editing the memoirs of the Chinese dissident Fang Lizhi. Willard Myers 3d is an immigration lawyer in Philadelphia.

tent of immigrant smuggling from China so as to camouflage its own past failure to prevent it and to shift blame to the asylum process.

Only in the past year have Chinese immigrants begun to manipulate the asylum procedure in significant numbers, leaving the asylum process in disarray. Applications for refugee status by citizens of China have quadrupled since 1990, and a growing backlog means most cases wait nearly two years before review. Many, perhaps most, such claims are without merit.

But U.S. asylum laws are not the main magnet for immigrants from China or elsewhere. Chinese peasants who pay outrageous sums for passage are pushed by a lack of opportunity at home and pulled by unrealistic expectations about life in the U.S.

Even if the U.S. abandoned its asylum laws, the masterminds behind people-smuggling would find other routes. A decision to send 524 Chinese home after interception in mid-Pacific has not been a deterrent: 21 have made it to the U.S. on other vessels.

The Government has begun to address the law-enforcement side of the issue by developing a broad plan to break the back of crime rings that earn millions from people-smuggling.

With stiffened penalties for smuggling aliens, prosecutors will be given an incentive to pursue difficult-to-prove cases that they lack when a smuggler can get five years at most.

The International Organized Crime Control Act, introduced last week by Senator William V. Roth Jr., Republican of Delaware, should be revised so

Flaws and feuds mar enforcement.

that smuggling would be covered by the Federal Racketeering Influence and Corrupt Organizations statutes, which gives law enforcement agencies wide powers to investigate and prosecute sophisticated criminals.

The Government must press China to crack down on corrupt local officials who allow smugglers to operate freely in their own country, especially in Fujian Province, where most of the illegal aliens start.

But the asylum process also cries out for reform. What is now being

exploited is the delay in the system more than the system itself. The backlog of asylum cases totals more than 300,000, often left pending for years, while applicants are allowed to work legally. Quicker processing would remove this incentive.

Disingenuous asylum-seekers often invoke a provision mandating "enhanced consideration" for people who have been persecuted or fear persecution under China's one-child-per-family policy. The I.N.S. must resolve its internal debate over how to evaluate asylum claims based on this policy. The conflict, which has paralyzed the judicial process, pits the State Department and I.N.S. law-enforcement, which have little patience with such claims, against the I.N.S.'s general counsel, Grover Joseph Rees 3d, who wants to make it easier for applicants to get refugee status on this basis.

The thousands of Chinese who have been given final deportation orders should be sent home. Only when would-be immigrants see that the U.S. is serious about enforcing its policies will they think twice about a dangerous voyage. At the same time, the U.S. should warn China that unreasonable punishment of those returned would be met with sanctions. □

Tune In to Democracy

By Joshua Muravchik

Over the next two days, House appropriations and Senate foreign relations subcommittees will begin deciding whether to create Radio Free Asia — to do for such tyrannies as China, North Korea, Vietnam, Laos and Burma what Radio Liberty and Radio Free Europe did for Communist Europe.

The Administration is expected to weigh in with a recommendation. If President Clinton, who chose to extend China's most-favored-nation status without any human rights conditions, wants to retain credibility as an advocate of global democracy, he'll want to make sure a robust plan for Radio Free Asia goes forward. In de-

Joshua Muravchik, a resident scholar at the American Enterprise Institute, advised the Clinton Presidential campaign on foreign policy.

fending his decision, he said we have an interest in China's modernization. But this is true only if China's political development goes hand-in-hand with its economic development. A China that grows rich and powerful without becoming democratic will be more of a menace than a blessing.

Economic growth will not necessarily lead to democratization, as in South Korea and Taiwan, which have democratized under optimum conditions: affluence and U.S. influence. Japan modernized around the turn of the century, but the impetus toward liberalization could not overcome authoritarianism and militarism.

Before M.F.N. is extended again next year, we must obtain substantial concessions on political prisoners, forced labor, emigration and the jamming of American broadcasts.

Despite jamming, Voice of America reaches a large Chinese audience with world news and programs in limited-vocabulary English that help Chinese learn our language. Radio Free Asia would broadcast entirely in Chinese dialects (and in other native

languages to other countries) and would focus on news about China (and in broadcasts to other countries, on their national news). Pioneered by Radio Free Europe and Radio Liberty, such broadcasting provides the information that would be available in the domestic press if it were free.

Of course it is hard to gather domestic news in an unfree country, and the target countries can make it harder by not accrediting Radio Free Asia correspondents. Radio Free Europe and Radio Liberty operated under the direst constraints, gathering news of Soviet bloc countries during the worst of the cold war. They compensated by employing hundreds of researchers who interviewed travelers, collected unofficial publications and scoured the official media.

After the Soviet empire fell, we confirmed how effective this was, as the new Eastern European leaders — Lech Walesa, Vaclav Havel, Boris Yeltsin and even Mikhail Gorbachev — offered glowing testimonials to Radio Free Europe/Radio Liberty.

Candidate Clinton declared strong

Finance Clinton's Radio Free Asia

support for a Radio Free Asia, and \$30 million to launch the service has been included in his fiscal 1994 budget. But Congress will trim the budget, and Radio Free Asia is nobody's pork.

The new "China lobby" — businessmen and diplomats who oppose anything that will roil Beijing — are trying to scuttle Radio Free Asia just as they torpedoed human rights conditions on trade. They have proposed adding a few hours of news about China to Voice of America's broadcasts. This would be a weak substitute for an independent Radio Free Asia. In Europe, Voice of America and Radio Free Europe/Radio Liberty operated side by side — each performing its distinct mission — with proved effectiveness. In Asia, we should do no less. □

Nafta May Get Lift From Pact On Toxic Site

Los Angeles, Mexico Agree On Cleanup, Easing Environmental Fears

By BOB DAVIS

Staff Reporter of THE WALL STREET JOURNAL

The North American Free Trade Agreement, under siege in Congress, is about to get a big lift from a Los Angeles prosecutor who once feared the trade pact would create an environmental "nightmare."

The prosecutor, David Eng, and Mexican environmental officials today plan to announce a novel plan to clean up an abandoned lead-recycling plant outside Tijuana, Mexico. Anti-Nafta activists have made the highly polluted site a symbol of Mexico's environmental failures and have taken House Majority Leader Richard Gephardt (D., Mo.) and other officials there as part of their campaign.

Mr. Eng, an environmental prosecutor in the Los Angeles County District Attor-

Reform of Mexican Economy

Mexican President Carlos Salinas de Gortari has unleashed a flurry of legislative initiatives and presidential decrees aimed at giving permanence to his country's free-market policies, with or without the common market that Nafta would establish. Article on page A15.

ney's office, has used a state law classifying lead slag as a hazardous waste to negotiate toxic-waste cleanups south of the border. In the deal, RSR Corp., a privately owned Dallas lead recycler, said it will pay \$2.5 million and plead no contest to charges of improperly transporting lead waste from its Los Angeles smelter to Mexico.

\$2 Million Cleanup

Of the \$2.5 million fine, \$2 million will be used to clean up the site, called Alco Pacifico de Mexico, said Los Angeles authorities and the companies involved. Los Angeles District Attorney Gil Garcetti also plans to donate \$300,000 of the fine to a foundation that provides medical care for border-area residents. And the Mexican government will use the Alco Pacifico site's recoverable lead, valued at between \$100,000 and \$200,000, to help pay back wages of workers at the plant, which closed in 1991 after a strike.

The Los Angeles authorities could have prosecuted the case alone, but without the cooperation of the Mexican government the settlement wouldn't have helped clean up the site or provided benefits to people in the area.

Albert Lospinoso, RSR president, said fighting the charges would cost at least as much as paying the fine. "We felt we could best meet our goal by helping the people of Mexico clean up a problem," he said.

Meanwhile, Morris Kirk, president of Alco Pacific Inc., a California-based company that owned the Mexican facility and is now defunct, is expected to be charged shortly with felony counts of unlawfully transporting hazardous waste. He'll plead not guilty, said Mr. Kirk's lawyer, Jerome Busch. "If he had sufficient money he could avoid criminal prosecution" and pay a fine, Mr. Busch said. Mr. Kirk lives in Orange County, Calif.

B. Rubin

Fyl - R

~~CLOSE HOLD~~

THE PRESIDENT HAS SEEN
6-16-93

Separately, President Clinton announced the formation of a 25-member council on sustainable development to recommend actions to mesh environmental and economic goals in accord with agreements reached at last year's environmental summit in Rio de Janeiro. The council will be co-chaired by David Buzzelli, vice president and corporate director of environment at Dow Chemical Co., and Jonathan Lash, president of the World Resources Institute. Its members include representatives of business, the environmental and civil rights movements, and the federal government, including Interior Secretary Bruce Babbitt and Energy Secretary Hazel O'Leary.

The announcement came shortly after Vice President Al Gore delivered a fiery speech to the United Nations on the subject of international environmental protection. Employing rhetoric of the type in his controversial book, "Earth in the Balance" — but not heard from Mr. Gore since he joined the Clinton ticket last summer — the vice president called for slowing world population growth, controlling the impact of "thousands of powerful technologies" that are "exploiting the Earth" and blocking the deterioration of fresh-water supplies.

Boost for Nafta

The announcement of the Alco Pacifico cleanup should greatly boost pro-Nafta forces who argue that environmental cooperation between the U.S. and Mexico will improve as the two nations are joined economically. Santiago Onate Laborde, Mexico's attorney general for the environment, is expected to make that pitch at the Los Angeles announcement today. Mr. Eng, who once feared that the trade agreement would lead to an explosion in environmental crimes, now says he thinks the trade pact "bodes well for binational enforcement" of environmental laws.

Even anti-Nafta activists, who have organized at least a dozen trips to Alco

Pacifico to rally support against the pact, grudgingly praised the cleanup deal. "You have to applaud the cooperation between the U.S. and Mexican government," say Thea Lee, an adviser to groups opposing the trade pact. But Ms. Lee, a trade analyst at the Economic Policy Institute, labor-backed think tank in Washington, added that Mexico "should welcome stronger rules on environmental issues than those called for in the Nafta text."

Alco Pacifico has become a grim reminder of Mexico's difficulties in enforcing environmental standards. The 14-acre lead-recycling facility is in the arid hill outside Tijuana, next to dairies that feed the city. The plant has been shut for two years. The rusting furnaces are surrounded by hills of lead ash and slag, open to the wind.

Dead Cows

Daniel Munoz Garay, who owns one of the nearby dairies, said that over the past decade, 14 cows suddenly keeled over and died. Alco Pacifico managers paid for the losses. "When the animals first started dying, the dairy owner named his price for the animals," Mr. Munoz said in an interview last year. "The second time, they would just go over (to Alco Pacifico) for the money."

Occasionally, Mexican regulators visited Alco Pacifico, Mr. Munoz said. Plant managers would promise to install new equipment, he said, but the factory would start running at night to avoid the regulators' attention.

■ ON SOCIETY

BY JOHN LEO

Lowering the education bar

Just when it looked as though we would get a serious school-reform plan through Congress, House Democrats have moved in and mugged it beyond recognition.

The heart of President Clinton's "Goals 2000: Educate America Act" was a council that would set up voluntary national standards on what students should know and be able to do. Other modern industrial nations already do this.

But the plan for measuring and encouraging student performance standards has been undermined in the House bill by a labor and education subcommittee. The emphasis now is on "opportunity to learn" standards, which are supposed to spell out what schools must make available to students. This might include smaller classes, new technology, competent teachers and up-to-date textbooks.

How were the lawmakers able to change the subject so quickly and divert attention away from curriculum standards? The lever was "fairness" and "equity." The argument goes like this: It's unfair to set standards for students until the quality of schools is taken into account and perhaps equalized.

There's a seductive surface logic to this argument. Many students are in fact handicapped by terrible schools and terrible teachers. But it's not obvious that standards must be postponed until every substandard school is fixed and every poor teacher is replaced.

As Albert Shanker, president of the American Federation of Teachers, says: "We don't abolish medical-school exams because not everyone has had the opportunity for top-notch pre-med education. Nor do we say that tests for airline pilots shouldn't count because not everyone has the opportunity to do well on them."

Turf battle. House Democrats are undermining the bipartisan effort worked out among the nation's governors, led by then Gov. Bill Clinton, and the Bush administration. Why? Turf is surely one reason. Two presidents and many governors built this program without much input from Congress. And old-line Democrats dream of massive school funding from Washington, not commissions on standards with no money to hand out.

But there is also the clash of philosophies. Reformers, like the National Governors' Association, focus on standards, excellence, measuring job skills and preparing the work force for international competition. The most powerful wing of the educational establishment focuses on social equality and student cooperation. This camp opposes elitism and advanced programs (which create a stu-

dent elite) and fears that minorities will not be able to meet real academic standards.

The National Education Association, always a formidable obstacle to reform, is doing its usual job here. "We've been raising the high bar without worrying about who can jump it in the first place," NEA President Keith Geiger said about standards and testing.

Democrats are responding to a wide array of forces that don't want standards at all. Some are loading down the bill with amendments, perhaps hoping it will sink.

The equity language in the original bill was bad enough. It talks of "student performance standards that all students, including disadvantaged students . . . [and] students with disabilities . . . will be expected to

achieve." This means standards that both brilliant and retarded students will be able to handle. Someone close to the committee discussions said: "No one can go any faster than the most handicapped person." This is yet another indication that ideology and the suspicion of student intelligence and achievement are big problems for some on the Democratic side.

Republicans fear that voluntary "Opportunity to Learn" standards will become compulsory. Diane Ravitch, an assistant secretary of education in the Bush administration, writes: "You do not have to be a seer to predict that the new standards . . . would permit federal regulation of curriculum, textbooks, facilities and instructional materials . . ."

An amendment to the bill by Rep. Jack Reed, a Rhode Island Democrat, seems to convert voluntary standards into mandatory ones. It would make future federal funding dependent on "corrective action" by school systems that don't meet the standards. Litigation is another route. Parents may successfully sue a school for not meeting the federal "opportunity to learn" standards.

The school-reform bill was not supposed to go through all this. After all, there has been a strong bipartisan consensus on its content for years. The nation's governors, led by Bill Clinton, were in basic agreement with the Bush administration. What it comes down to now is a battle between the so-called New Democrats and old-line liberals.

In a May letter to Secretary of Education Richard Riley, South Carolina Gov. Carroll Campbell, a Republican, wrote that the revised bill "comes dangerously close to derailing our hard-won emphasis on student achievement . . . and threatens to turn the clock back on four years' worth of bipartisan teamwork." Campbell's right. Too much effort has been invested in much needed school reform for it to be wasted now. Is the president going to do something about this or not?



06-16-93 10:30AM

TO 94562883

P001/003

THE PRESIDENT HAS SEEN *6/16*

Maely Geagun/GS
need to add in this
Corrected Memo

Facsimile Transmission From:
U.S. SENATOR JOHN BREAU
United States Senate
Washington, D.C. 20510
(202) 224-4623

PLEASE DELIVER THIS INFORMATION AS SOON AS POSSIBLE

NUMBER OF PAGES INCLUDING COVER SHEET: 3

DATE: 6-16-93

TO: Marcia Hale

FAX NUMBER TRANSMITTED TO: 456-2883

FROM: Senator John Breau

RE: per our conversation - attached is
the memo for the President re
his meeting this evening with Mike
Sacco and group.

*Mr. President - I hope
this recommendation is
helpful!*
John

MEMORANDUM

JUNE 15, 1993

TO: THE PRESIDENT

FROM: SENATOR JOHN BREAUX

RE: MARITIME REFORM

As you know, the U.S.-flag shipping industry is at a crossroads. For over 20 years, the industry has declined to the point where it is now barely viable. If something is not done this year it is quite likely that the United States maritime industry will literally disappear.

The largest remaining U.S.-flag shipping companies have, unfortunately, stated that unless there is an effort by the government to reform the industry this year, they must begin to register their ships in foreign countries, employ foreign crews, and build their ships in foreign shipyards. U.S. shipbuilders and seafarers do not even have the option of "going foreign." Their only choice is to either close down or find new employment.

I understand that you recently had a positive meeting with Lane Kirkland of the AFL-CIO and Mike Sacco of the Seafarers International Union to discuss maritime reform. I was pleased to hear of your interest in a reform bill since the success of any reform effort hinges on there being a strong message from you that reform is important to you and that it should be pursued.

To convey this message, I recommend that you call a meeting in the Oval Office that would include Secretary Aspin, Secretary Pena, U.S. Transportation Command Commander Ronald Fogleman, and U.S. Maritime Administrator-designate Admiral Albert Herberger to address this serious problem. You need to tell them in very clear terms that you want and expect them to work together to reach an agreed recommendation for you to consider. There has been a real reluctance on the part of the Defense Department to fund any reform effort, even though U.S.-flag commercial ships have been an essential component of all military conflicts involving the United States.

I recommend that before the Defense Department embarks on what is likely to be a \$16 billion sealift program over the next 10 years (many of the ships which will be lying dormant in reserve status) you have them take a close look at utilizing the commercial fleet at a fraction of the cost. Your instructions to the Defense Department and the Transportation Department to work together on a reform package is essential to its success and, ultimately, the survival of this industry.

I will be happy to work with you and anyone in your Administration to help save this industry that I believe is so vital to our country's national security and economic interests. Attached are what I believe should be key components of any comprehensive maritime reform bill.

KEY COMPONENTS OF MARITIME REFORM● Ship OperatingDirect Financial Assistance

- Fund at a cost that is less than \$200 million per year (~~this is less than the current operating subsidies which expire in 1997~~);
- Support at least 90 ships for 10 years (at \$2-\$2.5 million per ship/year, for a total cost of \$1.5-\$2 billion);
- ? [Allow operators to build ships abroad while receiving assistance payments;
- Make ships available to Defense in time of war or national emergency;
- Fund Title XI loan guarantees to build ships in the United States;

Tax Relief

- Provide limited, deficit neutral tax relief such as accelerated depreciation (3 years instead of 10), expanded uses of Capital Construction Funds (CCF), and taxation of the inside earnings in CCFs;

Cargo Preference

- Affirm your support of "ship American" requirements on government donational programs;
- Clarify that the Department of Transportation is responsible for enforcing the program;

Jones Act

- Affirm your support of the Jones Act.

● Ship BuildingForeign Subsidies

- Penalize countries that continue to subsidize shipbuilding (as I proposed in legislation this year);

Defense Conversion

- Use Defense Conversion funds to help builders make the transition from military to commercial work;

Title XI

- Fund the Title XI loan guarantee program to build ships in the United States.

Handguns, Politics and People

AFTER YEARS of semiautomatic victories, the National Rifle Association's lobbyists are running into new, effective opposition from a growing political force: people who feel threatened by the outlandishly free flow of handguns around them. Deaths by gunfire and other violent crimes aren't just an urban thing, nor are the accidental shootings of children. Increasingly, voters are supporting laws to protect the public from firearms that have no defensible sporting uses but that are all too easily obtained by criminals or unstable impulse buyers. The result of this new public pressure is that more and more legislators are discovering that taking a stand against the NRA is not political suicide.

Some of the more recent developments:

■ **Virginia.** Whatever other issues may become central in the Virginia governor's race, Democrat Mary Sue Terry has put handguns high on her list. She is calling for a five-day waiting period for handgun sales. This is a version of the federal Brady bill, which Congress has studied and supported in the past and should now enact for a president who has promised to sign it. Every major poll, including one just released this month by Louis Harris of LH Research, shows that an overwhelming number of Americans—including a majority of NRA members—supports a waiting period. Already, 25 states, including Maryland, have adopted waiting periods.

In Virginia, where Gov. Wilder and a bipartisan legislative majority enacted an anti-gunrunning measure that limits handgun purchases to one a month, Ms. Terry, a two-term state attorney general, expressed her strong belief that "this is an issue where the public is ahead of the lawmakers." In embracing a waiting period, Ms. Terry put herself squarely in opposition to her Republican opponent, George F. Allen. Mr. Allen's campaign has received large contributions from gun PACs that in turn were given money by NRA

lobbyists. It happens that Mr. Allen has said he opposes any waiting period.

■ **Connecticut.** Last week the Connecticut state legislature enacted—and Gov. Lowell Weicker immediately signed—a bill to ban the sale of certain military-style assault weapons. The list includes a Colt assault rifle misnamed the "Sporter" that is made in Hartford. This makes Connecticut the fourth state to enact a ban on semiautomatic assault weapons, joining California, New Jersey and Hawaii.

■ **New York.** Also last week, the New York State Assembly approved a bill that would ban assault weapons, though opposition in the state senate may be sufficient to kill it. Asked about political fear of NRA opposition, Assemblywoman Naomi C. Matusow—who in her last campaign portrayed her opponent as a captive of the NRA—told a New York Times reporter that banning assault weapons "is an okay thing to talk about now. People are afraid."

Other states where NRA lobby efforts have been defeated include New Jersey, Minnesota, Indiana, Missouri and Texas, where Gov. Ann Richards vetoed NRA-backed legislation that would have allowed people to carry loaded concealed weapons in public.

The significance of these moves is not that they alone or even collectively will have any great immediate impact on violent crime. Uniform national gun safety laws, starting with the Brady bill and including bans on assault-style weapons as well as the tiny, concealable, camouflaged mini-revolvers now showing up in marketplaces almost everywhere, are essential. The importance of what has been happening in the states is in the message to Congress that there is political life—and popular support—after taking a stand against the NRA. There's no reason to wait any longer for a waiting period for handgun sales; the House and Senate should get on with the vote.

WEDNESDAY, JUNE 16, 1993

THE WASHINGTON POST

In Canada, a New Voice

GETTING READY for the autumn election, Canada's ruling Progressive Conservative Party now has chosen a new leader and prime minister. Brian Mulroney, who has held the job for nine years, has—as he would say—spent down his political capital and is bumping along at the bottom of the popularity polls. By replacing him with Kim Campbell, a quick-witted lawyer who is now the defense minister, the party intends to give itself a new face and a new voice for the campaign. Not incidentally, Ms. Campbell will be the first woman to become a Canadian prime minister—another interesting element in this election.

But while the prime minister may be new, the issues will be two familiar old ones. There's no escaping them. First, there's the economy—a recent recession much deeper than in the United States and a recovery that's equally slow. The federal deficit is huge, as it is here, but Canadian unemployment is far higher than ours. Second, there's the long quarrel over Quebec and the respective rights of French-speaking and English-speaking Canadians. Mr. Mulroney spent a great deal of his time on Quebec—too much, perhaps, particularly since his attempt at conciliation ultimately failed.

That failure may well persuade his successor not to invest much of her own capital in the search for solutions to Quebec's demands. While

the Quebec dispute is unique to Canada, the country shares its fundamental economic dilemma with all the other industrial democracies except Japan. All of them, roughly two decades ago, expanded their social benefits and entitlements enormously on the happy assumption that fast growth of their economies would pay for them. But, of course, it hasn't. As a result, governments throughout Europe and North America are struggling wearily either to cut entitlements or to raise taxes—and you don't have to be told that neither alternative is popular with the voters.

At least in the 1990s in most of these countries most politicians of both right and left agree that big deficits are dangerous and have to be brought under control. That's progress, and in Canada much of the credit for it is owed to Mr. Mulroney. But now it's Ms. Campbell who will have to guide the Conservatives' strategy to close the gap between public income and outgo in a country in which tax revenues already take more than 40 percent of the economy's output. The Canadian election this fall probably will be the next point at which voters reluctantly confront the hard choices that are eroding the standing of politicians and governments throughout all the rich countries of the West.

George (Case) - (I think we need to do something on this Brady + Assault gun

White House backdates raises

GAO probes 'unusual' practices

THE PRESIDENT HAS SEEN

By Paul M. Rodriguez
THE WASHINGTON TIMES

AT

The White House has given at least 20 new political appointees \$11,000 in retroactive pay increases, some going back to Inauguration Day.

Congressional sources say the backdated pay increases will cost taxpayers more than \$150,000 a year.

The pay boosts are part of a series of "highly unusual" and "possibly illegal" personnel decisions uncovered in an ongoing General Accounting Office probe of the White House, according to sources who agreed to speak to The Washington Times on the condition of anonymity.

The GAO is investigating not only the backdated pay raises but also whether those who were paid back to Jan. 20 actually have been working since then, whether the White House complied with financial disclosure requirements and whether appointees were taking unearned vacations and sick leave.

The GAO, the investigative arm of Congress, has been looking at how the White House operates in a number of areas, including personnel actions between Jan. 20 — when President Clinton took office with promises of White House cutbacks — and April 24.

So far, investigators have found:

- A total of 609 persons were appointed to the Executive Office of the President (EOP). The EOP includes, among other offices, the White House, the executive residence at the White House, the domestic policy staff, the office of the vice president and the office of administration.

- Among the appointees, 217 had their paychecks backdated, accounting for \$286,000 in retroactive payments. Backdating paychecks has been a normal accounting procedure at the beginning of presidential administrations, but investigators question the volume of the Clinton

see GAO, page A8

GAO

From page A1

job actions.

- After they had been hired, 55 appointees received pay increases that will cost taxpayers \$472,000 a year.

- Overall, the backdated pay raises and salary increases will boost EOP payroll expenses about \$400,000 more than currently budgeted this year.

- White House "foot-dragging" has slowed down the GAO investigation.

- Eight appointees had their salaries cut, a savings of \$98,000.

Rep. Jim Ross Lightfoot, Iowa Republican and ranking member of the Treasury and Postal subcommittee on appropriations, is among a group of Republicans who have locked horns with the White House over such issues this year.

At a hearing of his panel on Monday, Mr. Lightfoot renewed his concerns based on the preliminary GAO review of backdated salaries.

"Let me assure you, in case anyone is wondering, backdating payroll actions [in such numbers] is not accepted practice in the federal government," said Mr. Lightfoot, who joined two other House Republicans in requesting the GAO probe about a month ago amid rumors of falsified payroll and personnel actions by Mr. Clinton's staff.

While the president "can basically do anything he wants with respect to appointing these people," Mr. Lightfoot said, "this practice has never been routinely done [in such numbers] in past administrations, based on discussions I have had with people who were career employees in the White House."

"If it were any other agency of the federal government, they would be in a heap of trouble," he said, just before losing a party-line vote to cut \$100,000 from the White House budget until the controversy is settled.

Rep. Steny H. Hoyer, Maryland Democrat and chairman of the ap-



Rep. Steny Hoyer

propriations subcommittee, sought to defend the White House at the hearing by suggesting that any prob-

The GAO has been unable to make a determination on the possible violations because of a lack of cooperation from White House officials.

lems that may exist are due to sloppiness, not wrongful intent.

"At the worst they are technical violations" of law, Mr. Hoyer repeated yesterday in a brief interview. "I'm not so sure they've done

anything wrong. . . .

"Look, we've got to find out if there are any problems first, so I think we should wait until we get the final GAO report before doing anything. . . . Then, if there's something, we [Congress] should look into it," Mr. Hoyer said. "I'm hoping that it's just sloppy practices and not something wrong."

The GAO has been unable to make a determination on the possible violations because of a lack of cooperation from White House officials in letting agency investigators access personnel and computer records, sources said.

"It's been a mess. . . . They [the White House] are acting very irresponsibly," said one source.

"It was only [this past] Monday that the White House agreed to turn over all of the necessary documents to GAO," a source said. The latest assurances were made only after senior Democratic House staff called top White House officials.

Mr. Clinton has vowed to cut the White House staff by 25 percent and trim spending by at least 4 percent.

Although the White House has promised to meet the president's targets by year's end, its payroll has increased, the number of workers and temporary employees is up and administrative costs have soared beyond projected levels.

In April, Mr. Clinton asked Congress for supplemental funding, a \$12 million infusion of funds to cover unexpected costs to update and modernize the White House computer and telephone systems and to pay for more than 100 temporary workers to process applications.

The White House dropped this request at the last minute because of fears the public would not understand the need for more money at a time Mr. Clinton was calling for cuts.

The House cut the funds from the president's budget, but Congress still might include them in the final appropriations bills later this summer if asked to do so.

• J. Jennings Moss contributed to this report.

March
wrote the book
on the

WEDNESDAY, JUNE 16, 1993

The Washington Times

N.R.

85

To VP - ~~Clinton~~ is this for?
~~Clinton~~

Clinton May Modify Pledge to Reduce U.S. Emissions of Greenhouse Gases

By TIMOTHY NOAH

Staff Reporter of THE WALL STREET JOURNAL
 WASHINGTON — The Clinton administration may back away from its pledge to reduce U.S. greenhouse gas emissions to 1990 levels by the year 2000.

The administration, which had been counting on the BTU tax to help reduce emissions, now anticipates that whatever energy tax emerges from Congress is unlikely to reduce these emissions significantly. The BTU tax would have been based on British thermal units, which measure the heating content of fuel. Now, the administration is considering allowing companies to meet the president's demand for reduced carbon and other emissions that contribute to global warming by reducing emissions of such gases overseas rather than in the U.S.

A final decision hasn't been made, but an interagency group charged with drafting recommendations for meeting the greenhouse-gas pledge is considering the option, according to Susan Tierney, a member of the group and the Energy Department's assistant secretary for policy, planning and program evaluation. The group's recommendations are due by August. In addition, Ms. Tierney said, Energy Secretary Hazel O'Leary has said she favors the plan.

In an April 21 speech to commemorate Earth Day, President Clinton said, "I reaffirm my personal, and announce our nation's, commitment to reducing our emissions of greenhouse gases to their 1990 levels by the year 2000." But he didn't spell out how such reductions would be achieved.

President Clinton was following up on the global-warming treaty signed by the U.S. at last year's environmental conference in Rio de Janeiro. The aim of the treaty is for developed nations, either "individually or jointly," to reduce greenhouse emissions to their 1990 levels. Twenty-four countries have pledged such reductions, including Germany, Japan and Canada.

For the Clinton administration, meeting its pledge will require reducing annual projected emissions of greenhouse gases — principally carbon dioxide — by up to 125

million metric tons by the year 2000, according to Energy Department calculations. One advantage of the BTU tax — and a reason it was championed by Vice President Al Gore, among others — was that (at least as originally introduced) it would have achieved roughly one-fifth of the reductions needed to meet the pledge.

Now that the BTU tax has been put aside, however, the outlook for substantial greenhouse-gas reductions through an energy tax appears dim. A transportation tax proposed by Sen. John Breaux (D., La.), for example, would reduce carbon emissions by only 7.3 million metric tons by 2000, compared with a reduction of 25 million metric tons with the BTU tax, according to the Energy Department.

With the loss of the BTU tax, the Clinton administration is feeling more pressure to embrace the notion, put forward by utility companies, of including in its count reductions of greenhouse emissions that are achieved by U.S. companies not only in the U.S., but also overseas. A number of utilities have subsidiaries and investments overseas.

Advocates, including some environmentalists, argue that it doesn't matter whether the pledge is fulfilled on U.S. shores or overseas. "You still end up with an exact equivalent in world-wide emissions reductions," declared Joe Goffman, a senior attorney at the Environmental Defense Fund. The principal advantage, they contend, is that emission reductions can be achieved more cheaply and easily overseas, particularly in less-developed nations. That's because "in many of these countries, pollution controls are less rigid," observes John Rowe, president and

Please Turn to Page A6, Column 6

U.S. May Alter Pledge To Reduce Emissions Of Greenhouse Gases

Continued From Page A2

chief executive officer of New England Electric System, a Massachusetts-based utility.

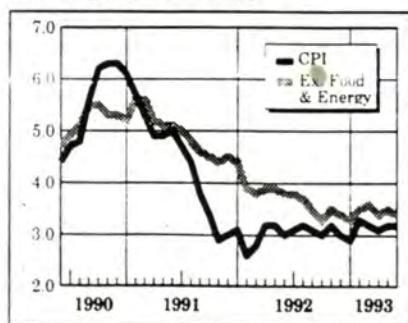
But opponents argue that the plan could anger less-developed nations, which have often criticized the U.S. and other developed nations for dictating management of rain forests abroad while doing little to reduce consumption of natural resources at home.

"We can and should meet the initial commitment that the president made through domestic actions" rather than overseas, said Dan Lashoff, senior scientist at the Natural Resources Defense Council. "It's clearly illegitimate to substitute one for the other."

THE WALL STREET JOURNAL WEDNESDAY, JUNE 16, 1993

Consumer Prices

Year-to-year percent change



CONSUMER PRICES rose 3.2% in the 12 months ending in May. Excluding the food and energy sectors, the change was 3.4%. (Article on page A2.)

Treasury Sets Offering Of Short-Term Bills

By a WALL STREET JOURNAL Staff Reporter
 WASHINGTON — The Treasury plans to raise \$50 million in new cash with the sale Monday of about \$24 billion in short-term bills to redeem \$23.95 billion in maturing bills.

The offering will be divided evenly between 13-week and 26-week bills maturing Sept. 23, 1993, and Dec. 23, 1993, respectively.

The Cusip number for the three-month bills is 912794E34. The Cusip number for the six-month bills is 912794G99.

Noncompetitive tenders for the bills, available in minimum \$10,000 denominations, must be received by noon EDT Monday at the Treasury or at Federal Reserve banks or branches. Competitive tenders for the bills must be received by 1 p.m. EDT.

Supreme Court Nominee's Rulings On Business Seem to Show Balance

Continued From Page B1

ruling but wrote a concise separate opinion. She noted that the relevant statute might be outdated. Nevertheless, she concluded, since Congress had failed to update the law, the court was forced to rule in favor of the union.

Insurer Sued Over Rates

A group of black homeowners in Toledo, Ohio, sued **Nationwide Mutual Insurance Co.** for allegedly discriminating against them on the basis of race.

Five homeowners, one prospective homeowner and the Toledo Fair Housing Center, a nonprofit agency, alleged in the lawsuit that Nationwide agents refused to quote rates or quoted inappropriately high rates for homeowners in predominantly black neighborhoods. The suit said the same agents quoted lower rates when asked about coverage for comparable homes in white neighborhoods.

The suit was based on the findings of so-called testers, who posed as homeowners to determine whether the agents offered different terms to people based on race.

The black homeowners were told that Nationwide, based in Columbus, doesn't insure homes with market values of less than \$45,000, according to the suit. But white testers who said their homes were valued at \$37,500 had no trouble getting quotes.

Louis Fabro, a spokesman for Nationwide, said the insurer sets identical rates throughout Toledo. He also said Nationwide's market-value minimum is only \$15,000.

"I just can't believe that's true," Mr. Fabro said of the suit's allegations. "Nationwide Insurance treats all insurance applicants equally, regardless of where they work, where they live, their color or any other factor."

The plaintiffs are seeking to have the suit made a class action on behalf of

homeowners in black neighborhoods in Toledo.

(Toledo Fair Housing Center et al. vs. Nationwide, Common Pleas Court of Lucas County, Toledo, 93-1685)

Law Notes . . .

WEDTECH REDUX: E. Robert Walach went on trial again yesterday for his alleged role in the 1980s influence-peddling scandal at defunct **Wedtech Corp.**, a minority-owned defense contractor. Mr. Walach, a San Francisco trial lawyer and an adviser to former U.S. Attorney General Edwin Meese III, is accused of submitting false bills in return for lobbying the government on Wedtech's behalf. Mr. Walach, who is representing himself at the trial in federal court in New York, was convicted at the first trial. But that conviction was later overturned because of perjury by a government witness.

DISCIPLINING DOCTORS: Physician disciplinary proceedings in New York must be kept secret until a final ruling is reached, the state's high court found. Since 1983, the state health department has released doctors' names before investigations were completed. But the high court said doctors should be treated like other licensed professionals, for whom such proceedings are kept confidential until a final ruling.

EMBRYO CUSTODY FIGHT: The seven frozen human embryos at the center of an unusual custody battle have been destroyed, the Associated Press reported. The embryos were fertilized in 1988 by a Tennessee couple who got divorced a year later. The woman wanted to bring the embryos to term or give them to a childless couple, but the ex-husband maintained that such a decision would turn him into a father against his will. The Tennessee Supreme Court ruled in favor of the ex-husband, and the embryos were turned over to him earlier this month. The man's attorney declined to say how the embryos were destroyed.

—Junda Woo in New York contributed to this article.

George

It's a good list
but wait a good idea?

R.

Christopher, in Unusual Cable,

By MICHAEL R. GORDON
Special to The New York Times

WASHINGTON, June 15 — In an effort to reassure his diplomatic corps that the Clinton Administration is capable of leading the world, Secretary of State Warren Christopher has sent a classified cable to all ambassadors listing what he described as several important accomplishments.

In his cable, dated June 7, Mr. Christopher all but conceded that President Clinton had got off to a slow start in foreign affairs, but he said crises inherited from the Bush Administration forced the new team to navigate "between submerged rocks and whirlpools on every continent."

Among the nine accomplishments of the new Administration, Mr. Christopher said, was the withdrawal of United States forces from Somalia, an achievement that was diluted almost immediately when a Somali clan leader ordered an attack on United Nations peacekeeping troops and the United States and its allies launched retaliatory strikes.

The Balkan Puzzle

Action to end the war in the Balkans was notably absent from Mr. Christopher's list, and the Secretary's on Bosnia appeared to be contradictory.

Mr. Christopher argued that the conflict in Bosnia was a "difficult and unique" issue that was "not central to our vital interests." But he also said Washington was a leader in finding peace there and expressed confidence that the United States and its allies were on a course that "can eventually lead to a political settlement for the tormented peoples" of the Balkans.

In contrast, President Clinton expressed concern today that the political situation in Bosnia was deteriorating.

Some diplomats who received the unusual cable greeted it with a mixture of surprise and bemusement. One senior diplomat, who said it was the first time ambassadors had got such a message, described the cable as "part apology, part pep talk."

Keeping the Lines Open

One ambassador said the message was defensive in tone and appeared to reinforce the impression that Administration was unsure of itself on foreign policy. "Anytime you have to list your accomplishments, you know you are in trouble," the ambassador said.

Michael McCurry, a spokesman for Mr. Christopher, said the Secretary had sent the message to keep the diplomatic corps informed of his thinking. "The Secretary feels that it is important to have regular communication to our diplomatic posts around the world regarding our achievements and the thrust of foreign policy," he said.

In recent weeks, critics have called the Administration's foreign policy weak and vacillating. This impression was reinforced when Peter Tarnoff, the Undersecretary of State for Political Affairs, told diplomatic reporters that

Defends State Dept.

Washington planned to reduce its leadership role because of economic weakness at home.

Even within the Foreign Service, there has been mounting apprehension that the White House has concentrated too much on domestic issues and that the State Department has been preoccupied with responding to crises instead of developing new policies.

In speeches and interviews, Mr. Christopher has tried to dispel the notion that the Administration has backed away from Washington's traditional leadership, and his message to the ambassadors, drafted by Samuel W. Lewis, the department's head of

policy planning, appeared intended to persuade his diplomatic team as well.

In the cable, described by officials who had received it, Mr. Christopher wrote that the Clinton Administration had been dealt a bad hand by its predecessor and had worked hard to transform foreign policy.

"When we took office on Jan. 21," he wrote, "we found the agenda overflowing with crises and potential disasters. A substantial proportion of time and energy have gone to navigating between submerged rocks and whirlpools on every continent, while putting in place an outstanding team of senior officials that is now nearly complete."

Like a mantra, Mr. Christopher repeatedly invoked "the leadership role" being played by the United States around the world.

Mr. Christopher provided a list of nine accomplishments that the diplomats could cite:

1. "First and foremost, President Clinton rallied the allies to support the course of reform and democracy in Russia at a crucial juncture with strong, unflinching support for President Yeltsin."

2. "The stalemated, nearly moribund Middle East peace negotiations were rescued and relaunched with some delicate diplomacy and a

strengthened United States role as a full partner."

3. "We have been and are working with the United Nations and the Organization of American States to restore democracy in Haiti and to reverse the new threat to democratic institutions in Guatemala."

4. "In close cooperation with key Congressional leaders, the President has conditionally extended most-favored-nation [trade status] for China in a manner which will also advance the cause of human rights and our non-proliferation goals, while serving the best interests of American business and workers."

5. "We have phased out the American-led mission in Somalia, and taken the lead in passing responsibility to a United Nations peacekeeping force, in which for the first time there will be a

sturdy American role to help the United Nations rebuild a viable nation-state."

6. "We have stepped up support for Iraq's democratic opposition elements."

7. "With careful but determined diplomacy, we are working with the International Atomic Energy Agency, South Korea, Japan and China to counter the North Korean nuclear threat."

8. "And from Japan to Mexico to the European Economic Community, the Administration has stressed the need to advance America's economic interests in parallel, though not in place of, maintaining our alliances."

9. "Our prompt action helped thwart the 'auto-coup' in Guatemala, as a reflection of our worldwide promotion of democracy."

Gov. Casey Is Reported Doing Well

*Donor's Family Seeks
Justice in Assault*

By Douglas Root
Special to The Washington Post

PITTSBURGH, June 15—As Pennsylvania Gov. Robert P. Casey (D) awoke today with a new heart and liver, reluctant relatives of the donor came forward to say they would have preferred being left alone were it not for a simple matter of justice.

Surgeons at Presbyterian University Hospital reported that Casey, 61, was awake and had spoken with family members and given messages to his staff.

A hospital spokeswoman said later that initial tests on heart and liver function were normal. "He's doing about as good as anyone on the operating team could have hoped," she said.

Told this at a news conference, Frances Lucas smiled slightly and placed her hand on a high school graduation portrait of her son, William Michael Lucas, a beating victim whose robust heart and liver were implanted in Casey in a 13½-hour operation Monday.

"My son had a strong heart. He had a good heart," she said, leaning toward his photograph, propped in front of the microphones, coaxing cameras to focus on it.

Today, surgeons, organ-retrieval workers and hospital public relations officials said they had braced for reaction about how Casey received the transplant only a day after doctors determined that he needed it.

Brian Broznick, executive director of the Center for Organ Recovery and Education, the region's organ-procurement center, said about half of 200 phone calls to the center were critical.

Broznick said that Casey's heart was "in terrible shape" and that "a lot of us believed he was operating on sheer willpower." He said Casey "wanted to make sure there was no favoritism or skirting of the process. . . . I think if people really look closely at the process, they'll see that we would have to be incredibly diabolical to have pulled this off so quickly."

Lucas had given permission Sunday for use of her son's organs and said she was unaware until Monday

that they were going to the governor. Lucas and her daughter, Yvonne, met the news media at the organ-procurement center.

Yvonne Lucas told reporters that her anger about the June 6 beating that caused her brother's death and about the subsequent investigation overrode all other issues in the medical drama being played out here.

"I would have preferred that we be left alone to have our grief to ourselves . . . but I am so angry about what happened to my brother and that I was the only one doing any investigating and asking questions. Now we can appeal to the public for

information. That is the only good out of having us identified."

Police said Lucas was attacked on a dead-end street by several youths in what was believed to be a gang-related incident. No arrests have been made.

Frances Lucas also had at the microphone a high school graduation portrait of her son, Eugene, 21, who died in a 1972 shooting near the family's home in Monessen, one of several rusting steelworker communities bordering Pittsburgh. "This family has seen too much of this kind of thing," she said. "It's just too much sometimes."

That is why, Yvonne Lucas said, "there is such determination on our part to get this crime solved. I want some attention paid to this. I want to find out who did this to my brother and why."

Frances Lucas had spent her 64th birthday in a trauma center Saturday awaiting word on her son's condition, which began to deteriorate after surgeries to repair damage from head wounds.

Monessen police said she found her son semiconscious in the living room of the family home June 6 after returning from her shift as a receptionist at Monongahela Valley Hospital. She pulled him into her car and drove him to the hospital from which he was moved to a trauma center.

Broznick said officials broached the subject of organ donation with Frances Lucas Saturday evening and with her and Yvonne Lucas Sunday morning. At that point, he said, tests showed that William Michael Lucas was brain dead.

Frances Lucas decided to donate the heart and liver and kidneys that eventually went to two men.

Today, she described her son as a young man who was unemployed but dreamed about what he might accomplish. "He liked to sing and to dance, and he cared about people like I taught my children to love others," she said.

It was appropriate, she said, that part of him become part of someone who cared and who had accomplished things.

WEDNESDAY, JUNE 16, 1993
THE WASHINGTON POST

Handwritten notes:
See full press
with letter
B

2:30 event

w/ ~~George~~

for OK

—

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

June 15, 1993

STATEMENT BY THE PRESIDENT

Today, I am pleased to take an important step in the promotion of democracy by putting in place my proposal for strengthening one of the most effective foreign policy tools we have, our international broadcasting programs. For the spread of our values, our ideas and our democratic way of life can help strengthen our security and support others around the world in their struggle for freedom.

I am pleased to be joined in this effort by the Director of the U.S. Information Agency, Dr. Joseph Duffey, and the Chair of the Board of International Broadcasting, Congressman Dan Mica. These programs have been and will be an essential part of our efforts to promote democracy and advance America's interests abroad.

Our plan proposes a proud rebirth of America's broadcasting programs to reflect this post-Cold War era. Our proposal preserves Radio Free Europe and Radio Liberty, which played such an important role in bringing freedom to Central and Eastern Europe and to the states of the former Soviet Union. It retains our other important broadcasting services, such as Voice of America, Radio Marti and TV Marti which have played such an important role in bringing truth and hope abroad. And our plan reorganizes our foreign broadcasting services to make them stronger, more efficient and more capable of meeting this era's new challenges of fostering democracy and civic reconstruction.

Our victory in the Cold War was due not only to the strength of our forces but also to the power of our ideas. While we acted to contain Soviet expansionism, we also sought to inspire freedom's spirit where repression reigned. Voice of America long played an important role in that effort. And to advance that same cause, 40 years ago we began a radio service, Radio Liberty, which aimed to join freedom's advocates behind the Iron Curtain with freedom-loving Americans. The founders of this and the other American radio services understood that truth is one of our most potent weapons in the fight against communism and totalitarianism.

The heroes of the Cold War's end, such as Polish President Lech Walesa and Czech President Vaclav Havel, have often noted the importance they attach to Radio Free Europe and Radio Liberty to their own historic work on behalf of liberty and democracy.

Radio Free Europe and Radio Liberty, together with our other broadcasting services, have persistently challenged the ability of repressive leaders to deny history, disfigure truth and

manipulate minds. From Havana to Ho Chi Minh City, from Pretoria to Prague, our foreign broadcast services helped prove a lesson that Americans must never forget: an informed and enlightened populace is the mightiest adversary tyranny can ever face.

Today the challenges have changed for the states that were once held captive behind the Iron Curtain. Freedom's work is not completed. Most of these states are undergoing a difficult process of consolidating democracy's gains and building prosperity's foundations. The resulting economic and political tensions in many of these nations have bred demagogues and warlords who threaten to reverse democracy's recent progress.

These states and many others still need a source of news that is reliably free from the manipulation of their own governments. No nation has more credibility to provide such news than the United States. That is why our radio and other international broadcasting services will continue to be vital as we seek to help strengthen new democracies and bolster the development of democratic institutions where they do not yet exist.

The plan we are announcing today will make those services stronger and better suited to this era:

- We will continue the operation of Radio Free Europe and Radio Liberty. Many of our broadcasting services, including both of these radios and Voice of America, will undergo some changes in structure and budget.
- We will create a new and independent Board of Governors that will oversee not only Radio Free Europe and Radio Liberty, but the Voice of America and other foreign broadcasting services as well. Located within the United States Information Agency, it will replace and perform similar tasks to the Board of International Broadcasting. The new Board, which the President shall appoint with the advice and consent of the Senate, will ensure independence, coherence, quality and journalistic integrity in our surrogate and other broadcast services.
- This new Board will play an important role in determining the best mix of broadcasting functions: telling America's story to the rest of the world; reporting objective international news; providing accurate in-country news where a free press is not yet developed; and from time to time helping to transmit our government's official views abroad.
- This new Board will also take a leadership role in helping to create a new Asian Democracy Radio to provide accurate local and international information for the people of Asia whose governments still suppress the truth.
- In addition, we will continue the good work of our important broadcasting services aimed at speeding the arrival of freedom in Cuba -- Radio Marti and TV Marti. The current structure of these entities and their boards will remain.

-- We will encourage the establishment of independent news-gathering and broadcast operations in the countries of Eastern Europe and the new independent states themselves -- where they can be rewoven into the fabric of democratic life.

By bringing our broadcasting resources together under one roof, we can achieve substantial savings, while at the same time providing for greater flexibility to target and shape our broadcasts as may be warranted by changing international circumstances and audience interests. We can also take better advantage of the remarkable technological developments in world-wide broadcasting that are imminent.

The plan we are announcing today was developed through the hard work and cooperation of many individuals, but I particularly want to acknowledge the leadership of Congressman Dan Mica and Dr. Duffy. I also want to acknowledge the high degree of professionalism and dedication among those individuals who have done so much to create the excellence of the Voice of America, Radio Free Europe and Radio Liberty and our other broadcasting services. They spent years of their lives, and often risked their own lives, to bring accurate news and the message of democracy to people who have been denied both, and we will continue to rely on their excellent service.

I have said that my foreign policy is premised on promoting democracy, improving our security, and revitalizing our economy. The plan we are announcing today assists us in doing all three.

#

THE WHITE HOUSE
WASHINGTON

DATE: 6/15

NOTE FOR: *The V.P., Jack Gibbons, 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:

THE PRESIDENT HAS SEEN 6/15

THE WHITE HOUSE
WASHINGTON

93 JUN 10 P5:01

June 10, 1993

MEMORANDUM FOR THE PRESIDENT

FROM: HOWARD PASTER HP

Please find attached the information which you solicited from Representative Jim Bacchus (D-FLA) regarding the space station. I assured him that I would personally forward this memorandum to you.

VP / Gibbons / Cutter

C.C.

THE V.P.
CUTTER
GIBBONS

- What's our current to this - to term & substance it's rather different from what I heard in the meeting doesn't ~~just~~ sound like just flesh for the contractor
- Don't want to get worst of all worse w/ A -

432 CANNON BUILDING
WASHINGTON, DC 20515-0915
(202) 225-3671

DISTRICT OFFICES:
900 DIXON BOULEVARD
COCOA, FLORIDA 32922
(407) 632-1776



JIM BACCHUS
15TH DISTRICT, FLORIDA

MEMBER:
BANKING, FINANCE AND
URBAN AFFAIRS COMMITTEE

SCIENCE, SPACE, AND
TECHNOLOGY COMMITTEE

SELECT COMMITTEE ON
CHILDREN, YOUTH, AND
FAMILIES

Congress of the United States House of Representatives

TO: President Clinton
FROM: Congressman Jim Bacchus
DATE: June 9, 1993
RE: Space Station Program

I greatly appreciate your expression to me of continued support for a space station and your request for my views about how best to proceed.

The redesign process that you directed has been valuable in identifying ways to reduce costs and improve the space station program, especially in the areas of operations and management. While none of the redesign options currently meets the spending targets for space station development set several months ago by your Administration, the redesign team did produce tremendous savings in development costs and did meet the target of cutting operations costs in half. Still more might be saved by exploring additional opportunities for international cooperation, with the Russians and others.

In short, as a result of this redesign effort, we can still build a real space station while making significant contributions toward reducing deficit spending. You deserve the credit for this "new direction" that will "reinvent" this important part of our government.

CRITICAL SIGNIFICANCE OF THE SPACE STATION

The failure to meet the spending targets set forth initially will embolden undoubtedly those who wish to eliminate the space station entirely. I urge you in the strongest possible terms to resist these efforts. Killing the space station would kill the entire American space program.

Domestically, without the space station, there will be no continuing mission for the space shuttle. Without the space shuttle, there will be no manned space program. And despite what some may say, without a manned space program, I believe there will be no space program at all.

Internationally, we would lose an unprecedented opportunity to lead the world in a peaceful international joint venture, and

our foreign partners would have every reason to question our commitment to future cooperative ventures in science. There is a very real likelihood that the Canadians, the Europeans, and possibly also the Japanese would abandon us and join the Russians in financing and building Mir 2.

As a result, we would forfeit the lead we have long held in space exploration, undermine our already precarious aerospace industry, and fall farther behind in the race for our fair share of the future.

Dan Goldin agrees with me. I urge you to talk to him directly about the consequences to our country of killing the space station.

REDESIGN OPTIONS

Of the options developed by the redesign team, I join most space station supporters in the Congress in supporting Option B as the most technically, scientifically, and politically viable option. Option B, the largely Freedom-derived option, has the following important advantages:

- o Option B best maintains the contributions of our international partners. Option A, a severely stripped-down version of Freedom, poses special problems for our Canadian partners, while all our partners, and especially the Japanese, are concerned about Option C, the single canister approach. Our partners have concluded that Option B "represents the lowest technical and programmatic risk."

- o Option B provides a robust science capability. While the redesign team found all options to be about equal in life science capabilities, it found a clear overall scientific advantage for Option B, especially in the areas of material sciences and engineering.

- o Option B provides a clear path to permanent human presence in space, which is the overriding purpose of building a space station. More than the others, Option B offers a firm foundation for future development and exploration.

- o Option B involves the most mature design and cost estimates and makes the best use of work for which we have already paid. Rarely reported is the fact that many components of Space Station Freedom are at the point of critical design review and on the verge of actual production. Option B uses many of these components. As a result, Option B should, at this time, have greater cost stability. In contrast, Option C, the single "can", is the most radical departure from the current design and is thus especially risky. Option C is analogous to the level of maturity of the current station concept in 1985, and its

selection would risk a repeat of the same cost overruns and design changes that have undermined support for the current program. To cite one example, NASA acknowledged in response to my questioning that although they left an air lock out of the design for Option C, they may well end up needing one.

o Option B has strong bipartisan support in the Congress. In fact, I know of no one who supports either of the other options. The House Science, Space and Technology Committee, on which I serve, today approved a NASA authorization bill that includes space station objectives that can best be met by Option B. Chairman George Brown, ranking Republican Bob Walker, Space Subcommittee Chairman Ralph Hall, and Subcommittee ranking Republican Jim Sensenbrenner all favor Option B. Walker, Sensenbrenner, and other Republicans have strongly indicated that Option B is the only option they will support.

For all these reason, I believe Option B is far superior to the other options. Moreover, the Science Committee's bill shows that we can build this particular space station within the anticipated NASA funding in your overall economic plan for the next five fiscal years.

CONGRESSIONAL STRATEGY

The NASA authorization bill is scheduled for debate on the House floor on Monday, June 14. An amendment is expected at that time to delete all funding for the space station. It is imperative that we have clear, visible, vocal, and active support from the White House as early as possible before that vote. I understand the need for the Administration to maintain some flexibility as it explores additional opportunities for international cooperation, especially with Russia. Yet we need a strong indication of support now. Without one, we may not have the chance to pursue those other opportunities.

Bipartisan support has been critical to the Space Station's success in the Congress in the past and will be again this year. Some erosion of Republican support is almost certain; in the past, some Republicans voted for the space station merely to support a Republican president. You can maintain the maximum Republican support by endorsing Option B. What's more, by making a very visible and forceful endorsement of Option B, you can offset Republican losses by increasing the level of Democratic support to create a new majority for the space station in this new Congress.

Many Democrats, especially freshmen, are looking to the White House for guidance before taking a position. Some said so specifically in the committee markup today. They are rightly wary of taking a position that could turn out to be in conflict with the Administration's position. A strong signal of support

for Option B from the Administration as soon as possible would help allay these concerns and win votes for the space station.

As I have already indicated, the best way -- maybe the only way -- to maintain maximum Republican support is to choose Option B. For this reason, I believe it is imperative that the White House initiate contact with the Republican leadership right away on this issue at the level of the Vice President or the Director of the Office of Science and Technology Policy. Bob Walker, Jim Sensenbrenner, Jerry Lewis, and Bob Michel all likely would be receptive and cooperative on this issue.

The timing of the House vote could not be worse. Many House Democrats have returned reeling from the Memorial Day recess, searching for something, anything to cut. Without your leadership, we may well lose the space station in a vote that might have little to do with the actual merits of the program. With your leadership, we can win.

Mr. President,

I can't begin to tell you how very important this is to me. The space station is my district. I need your support. You continue, of course, to have mine. I'd appreciate a few minutes to visit with you personally on ⁴this.

Jim

THE WHITE HOUSE
WASHINGTON

DATE: 06/15/93

NOTE FOR:

BERNIE NUSSBAUM
BRUCE LINDSEY
RON KLAIN
RICKI SEIDMAN

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:



cc: Benin
BZ
Don Klein
Dr. Sudman

TS.



THE WHITE HOUSE

WASHINGTON

6/15

Dear David

Thank you for your great
letter in Judge Ginsburg's behalf.
I think your prediction may
well be right. Let's hope so —

Best,

Bob Clinton

Mr. David Lauter
Los Angeles Times
Washington Bureau
International Square
1875 I Street, N.W.
Washington, D.C. 20006

Los Angeles Times

WASHINGTON BUREAU

6/15

Dear Mr. President,

I suppose this probably violates some canon of adversary relationships, but I want to send you a note of congratulations in any case.

Having spent several years earlier in my life covering the Supreme Court and the federal judiciary, I am convinced that Ruth Bader Ginsburg will, one day, be ranked with Holmes and Harlan, Black and Brandeis among the commanding intellects of the law in the 20th century. Your choice will bring high credit to your Administration in the years to come. Congratulations.

Daniel L. Lauer

THE WHITE HOUSE
WASHINGTON

DATE: 06/15/93

NOTE FOR:

GEORGE STEPHANOPOULOS
DAVID GERGEN
MARK GEARAN

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

Information

☐

Action

☒X

(George -
The original has already been
returned to NSC.)

Thank you.

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

cc:

THE WHITE HOUSE
WASHINGTON

BS

- This is good background
should show to
Gangster (Gangster
give back to Tony
because it's
chainfired

~~SECRET~~

~~SECRET~~

THE PRESIDENT HAS SEEN 6/15

4102

THE WHITE HOUSE
WASHINGTON

June 7, 1993

INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM:

ANTHONY LAKE

SUBJECT:

Your Statements on Bosnia

DECLASSIFIED

E.O. 13526

White House Guidelines, September 11, 2006

By DB NARA, Date 5/11/18

2018 Del 2-5

THE WHITE HOUSE
WASHINGTON

DATE: 6/15

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:

Hand

1 hour 45 min

THE PRESIDENT HAS SEEN
Presidential Phone Calls

6/15/93



DATE: 6-14-93

TIME: 10³⁵
incoming/outgoing

WITH: Danforth

SUBJECT: ① Non spendy cuts / less taxes

② Real estate controls -

↳ Min. Homeless

↳ Reg. free / first time

30 Wants Bi-part Budget

~~_____~~

FOLLOW UP: _____

March

1 am 9:45 am

THE PRESIDENT HAS SEEN
Presidential Phone Calls

6/15/93



DATE: 6-14-93

TIME: 10³⁵

incoming/outgoing

WITH: Danforth

SUBJECT: ① Non spendy cuts / vetoes

② Real income controls -

↳ Num. domestic

↳ Negot. treaty / first treaties

③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪ ⑫ ⑬ ⑭ ⑮ ⑯ ⑰ ⑱ ⑲ ⑳ ㉑ ㉒ ㉓ ㉔ ㉕ ㉖ ㉗ ㉘ ㉙ ㉚ ㉛ ㉜ ㉝ ㉞ ㉟ ㊱ ㊲ ㊳ ㊴ ㊵ ㊶ ㊷ ㊸ ㊹ ㊺ ㊻ ㊼ ㊽ ㊾ ㊿ ㏀ ㏁ ㏂ ㏃ ㏄ ㏅ ㏆ ㏇ ㏈ ㏉ ㏊ ㏋ ㏌ ㏍ ㏎ ㏏ ㏐ ㏑ ㏒ ㏓ ㏔ ㏕ ㏖ ㏗ ㏘ ㏙ ㏚ ㏛ ㏜ ㏝ ㏞ ㏟ ㏠ ㏡ ㏢ ㏣ ㏤ ㏥ ㏦ ㏧ ㏨ ㏩ ㏪ ㏫ ㏬ ㏭ ㏮ ㏯ ㏰ ㏱ ㏲ ㏳ ㏴ ㏵ ㏶ ㏷ ㏸ ㏹ ㏺ ㏻ ㏼ ㏽ ㏾ ㏿ 㐀 㐁 㐂 㐃 㐄 㐅 㐆 㐇 㐈 㐉 㐊 㐋 㐌 㐍 㐎 㐏 㐐 㐑 㐒 㐓 㐔 㐕 㐖 㐗 㐘 㐙 㐚 㐛 㐜 㐝 㐞 㐟 㐠 㐡 㐢 㐣 㐤 㐥 㐦 㐧 㐨 㐩 㐪 㐫 㐬 㐭 㐮 㐯 㐰 㐱 㐲 㐳 㐴 㐵 㐶 㐷 㐸 㐹 㐺 㐻 㐼 㐽 㐾 㐿 㑀 㑁 㑂 㑃 㑄 㑅 㑆 㑇 㑈 㑉 㑊 㑋 㑌 㑍 㑎 㑏 㑐 㑑 㑒 㑓 㑔 㑕 㑖 㑗 㑘 㑙 㑚 㑛 㑜 㑝 㑞 㑟 㑠 㑡 㑢 㑣 㑤 㑥 㑦 㑧 㑨 㑩 㑪 㑫 㑬 㑭 㑮 㑯 㑰 㑱 㑲 㑳 㑴 㑵 㑶 㑷 㑸 㑹 㑺 㑻 㑼 㑽 㑾 㑿 㒀 㒁 㒂 㒃 㒄 㒅 㒆 㒇 㒈 㒉 㒊 㒋 㒌 㒍 㒎 㒏 㒐 㒑 㒒 㒓 㒔 㒕 㒖 㒗 㒘 㒙 㒚 㒛 㒜 㒝 㒞 㒟 㒠 㒡 㒢 㒣 㒤 㒥 㒦 㒧 㒨 㒩 㒪 㒫 㒬 㒭 㒮 㒯 㒰 㒱 㒲 㒳 㒴 㒵 㒶 㒷 㒸 㒹 㒺 㒻 㒼 㒽 㒾 㒿 㓀 㓁 㓂 㓃 㓄 㓅 㓆 㓇 㓈 㓉 㓊 㓋 㓌 㓍 㓎 㓏 㓐 㓑 㓒 㓓 㓔 㓕 㓖 㓗 㓘 㓙 㓚 㓛 㓜 㓝 㓞 㓟 㓠 㓡 㓢 㓣 㓤 㓥 㓦 㓧 㓨 㓩 㓪 㓫 㓬 㓭 㓮 㓯 㓰 㓱 㓲 㓳 㓴 㓵 㓶 㓷 㓸 㓹 㓺 㓻 㓼 㓽 㓾 㓿 㔀 㔁 㔂 㔃 㔄 㔅 㔆 㔇 㔈 㔉 㔊 㔋 㔌 㔍 㔎 㔏 㔐 㔑 㔒 㔓 㔔 㔕 㔖 㔗 㔘 㔙 㔚 㔛 㔜 㔝 㔞 㔟 㔠 㔡 㔢 㔣 㔤 㔥 㔦 㔧 㔨 㔩 㔪 㔫 㔬 㔭 㔮 㔯 㔰 㔱 㔲 㔳 㔴 㔵 㔶 㔷 㔸 㔹 㔺 㔻 㔼 㔽 㔾 㔿 㕀 㕁 㕂 㕃 㕄 㕅 㕆 㕇 㕈 㕉 㕊 㕋 㕌 㕍 㕎 㕏 㕐 㕑 㕒 㕓 㕔 㕕 㕖 㕗 㕘 㕙 㕚 㕛 㕜 㕝 㕞 㕟 㕠 㕡 㕢 㕣 㕤 㕥 㕦 㕧 㕨 㕩 㕪 㕫 㕬 㕭 㕮 㕯 㕰 㕱 㕲 㕳 㕴 㕵 㕶 㕷 㕸 㕹 㕺 㕻 㕼 㕽 㕾 㕿 㖀 㖁 㖂 㖃 㖄 㖅 㖆 㖇 㖈 㖉 㖊 㖋 㖌 㖍 㖎 㖏 㖐 㖑 㖒 㖓 㖔 㖕 㖖 㖗 㖘 㖙 㖚 㖛 㖜 㖝 㖞 㖟 㖠 㖡 㖢 㖣 㖤 㖥 㖦 㖧 㖨 㖩 㖪 㖫 㖬 㖭 㖮 㖯 㖰 㖱 㖲 㖳 㖴 㖵 㖶 㖷 㖸 㖹 㖺 㖻 㖼 㖽 㖾 㖿 㗀 㗁 㗂 㗃 㗄 㗅 㗆 㗇 㗈 㗉 㗊 㗋 㗌 㗍 㗎 㗏 㗐 㗑 㗒 㗓 㗔 㗕 㗖 㗗 㗘 㗙 㗚 㗛 㗜 㗝 㗞 㗟 㗠 㗡 㗢 㗣 㗤 㗥 㗦 㗧 㗨 㗩 㗪 㗫 㗬 㗭 㗮 㗯 㗰 㗱 㗲 㗳 㗴 㗵 㗶 㗷 㗸 㗹 㗺 㗻 㗼 㗽 㗾 㗿 㘀 㘁 㘂 㘃 㘄 㘅 㘆 㘇 㘈 㘉 㘊 㘋 㘌 㘍 㘎 㘏 㘐 㘑 㘒 㘓 㘔 㘕 㘖 㘗 㘘 㘙 㘚 㘛 㘜 㘝 㘞 㘟 㘠 㘡 㘢 㘣 㘤 㘥 㘦 㘧 㘨 㘩 㘪 㘫 㘬 㘭 㘮 㘯 㘰 㘱 㘲 㘳 㘴 㘵 㘶 㘷 㘸 㘹 㘺 㘻 㘼 㘽 㘾 㘿 㙀 㙁 㙂 㙃 㙄 㙅 㙆 㙇 㙈 㙉 㙊 㙋 㙌 㙍 㙎 㙏 㙐 㙑 㙒 㙓 㙔 㙕 㙖 㙗 㙘 㙙 㙚 㙛 㙜 㙝 㙞 㙟 㙠 㙡 㙢 㙣 㙤 㙥 㙦 㙧 㙨 㙩 㙪 㙫 㙬 㙭 㙮 㙯 㙰 㙱 㙲 㙳 㙴 㙵 㙶 㙷 㙸 㙹 㙺 㙻 㙼 㙽 㙾 㙿 㚀 㚁 㚂 㚃 㚄 㚅 㚆 㚇 㚈 㚉 㚊 㚋 㚌 㚍 㚎 㚏 㚐 㚑 㚒 㚓 㚔 㚕 㚖 㚗 㚘 㚙 㚚 㚛 㚜 㚝 㚞 㚟 㚠 㚡 㚢 㚣 㚤 㚥 㚦 㚧 㚨 㚩 㚪 㚫 㚬 㚭 㚮 㚯 㚰 㚱 㚲 㚳 㚴 㚵 㚶 㚷 㚸 㚹 㚺 㚻 㚼 㚽 㚾 㚿 㞀 㞁 㞂 㞃 㞄 㞅 㞆 㞇 㞈 㞉 㞊 㞋 㞌 㞍 㞎 㞏 㞐 㞑 㞒 㞓 㞔 㞕 㞖 㞗 㞘 㞙 㞚 㞛 㞜 㞝 㞞 㞟 㞠 㞡 㞢 㞣 㞤 㞥 㞦 㞧 㞨 㞩 㞪 㞫 㞬 㞭 㞮 㞯 㞰 㞱 㞲 㞳 㞴 㞵 㞶 㞷 㞸 㞹 㞺 㞻 㞼 㞽 㞾 㞿 㟀 㟁 㟂 㟃 㟄 㟅 㟆 㟇 㟈 㟉 㟊 㟋 㟌 㟍 㟎 㟏 㟐 㟑 㟒 㟓 㟔 㟕 㟖 㟗 㟘 㟙 㟚 㟛 㟜 㟝 㟞 㟟 㟠 㟡 㟢 㟣 㟤 㟥 㟦 㟧 㟨 㟩 㟪 㟫 㟬 㟭 㟮 㟯 㟰 㟱 㟲 㟳 㟴 㟵 㟶 㟷 㟸 㟹 㟺 㟻 㟼 㟽 㟾 㟿 㠀 㠁 㠂 㠃 㠄 㠅 㠆 㠇 㠈 㠉 㠊 㠋 㠌 㠍 㠎 㠏 㠐 㠑 㠒 㠓 㠔 㠕 㠖 㠗 㠘 㠙 㠚 㠛 㠜 㠝 㠞 㠟 㠠 㠡 㠢 㠣 㠤 㠥 㠦 㠧 㠨 㠩 㠪 㠫 㠬 㠭 㠮 㠯 㠰 㠱 㠲 㠳 㠴 㠵 㠶 㠷 㠸 㠹 㠺 㠻 㠼 㠽 㠾 㠿 㡀 㡁 㡂 㡃 㡄 㡅 㡆 㡇 㡈 㡉 㡊 㡋 㡌 㡍 㡎 㡏 㡐 㡑 㡒 㡓 㡔 㡕 㡖 㡗 㡘 㡙 㡚 㡛 㡜 㡝 㡞 㡟 㡠 㡡 㡢 㡣 㡤 㡥 㡦 㡧 㡨 㡩 㡪 㡫 㡬 㡭 㡮 㡯 㡰 㡱 㡲 㡳 㡴 㡵 㡶 㡷 㡸 㡹 㡺 㡻 㡼 㡽 㡾 㡿 㢀 㢁 㢂 㢃 㢄 㢅 㢆 㢇 㢈 㢉 㢊 㢋 㢌 㢍 㢎 㢏 㢐 㢑 㢒 㢓 㢔 㢕 㢖 㢗 㢘 㢙 㢚 㢛 㢜 㢝 㢞 㢟 㢠 㢡 㢢 㢣 㢤 㢥 㢦 㢧 㢨 㢩 㢪 㢫 㢬 㢭 㢮 㢯 㢰 㢱 㢲 㢳 㢴 㢵 㢶 㢷 㢸 㢹 㢺 㢻 㢼 㢽 㢾 㢿 㣀 㣁 㣂 㣃 㣄 㣅 㣆 㣇 㣈 㣉 㣊 㣋 㣌 㣍 㣎 㣏 㣐 㣑 㣒 㣓 㣔 㣕 㣖 㣗 㣘 㣙 㣚 㣛 㣜 㣝 㣞 㣟 㣠 㣡 㣢 㣣 㣤 㣥 㣦 㣧 㣨 㣩 㣪 㣫 㣬 㣭 㣮 㣯 㣰 㣱 㣲 㣳 㣴 㣵 㣶 㣷 㣸 㣹 㣺 㣻 㣼 㣽 㣾 㣿 㤀 㤁 㤂 㤃 㤄 㤅 㤆 㤇 㤈 㤉 㤊 㤋 㤌 㤍 㤎 㤏 㤐 㤑 㤒 㤓 㤔 㤕 㤖 㤗 㤘 㤙 㤚 㤛 㤜 㤝 㤞 㤟 㤠 㤡 㤢 㤣 㤤 㤥 㤦 㤧 㤨 㤩 㤪 㤫 㤬 㤭 㤮 㤯 㤰 㤱 㤲 㤳 㤴 㤵 㤶 㤷 㤸 㤹 㤺 㤻 㤼 㤽 㤾 㤿 㥀 㥁 㥂 㥃 㥄 㥅 㥆 㥇 㥈 㥉 㥊 㥋 㥌 㥍 㥎 㥏 㥐 㥑 㥒 㥓 㥔 㥕 㥖 㥗 㥘 㥙 㥚 㥛 㥜 㥝 㥞 㥟 㥠 㥡 㥢 㥣 㥤 㥥 㥦 㥧 㥨 㥩 㥪 㥫 㥬 㥭 㥮 㥯 㥰 㥱 㥲 㥳 㥴 㥵 㥶 㥷 㥸 㥹 㥺 㥻 㥼 㥽 㥾 㥿 㦀 㦁 㦂 㦃 㦄 㦅 㦆 㦇 㦈 㦉 㦊 㦋 㦌 㦍 㦎 㦏 㦐 㦑 㦒 㦓 㦔 㦕 㦖 㦗 㦘 㦙 㦚 㦛 㦜 㦝 㦞 㦟 㦠 㦡 㦢 㦣 㦤 㦥 㦦 㦧 㦨 㦩 㦪 㦫 㦬 㦭 㦮 㦯 㦰 㦱 㦲 㦳 㦴 㦵 㦶 㦷 㦸 㦹 㦺 㦻 㦼 㦽 㦾 㦿 㧀 㧁 㧂 㧃 㧄 㧅 㧆 㧇 㧈 㧉 㧊 㧋 㧌 㧍 㧎 㧏 㧐 㧑 㧒 㧓 㧔 㧕 㧖 㧗 㧘 㧙 㧚 㧛 㧜 㧝 㧞 㧟 㧠 㧡 㧢 㧣 㧤 㧥 㧦 㧧 㧨 㧩 㧪 㧫 㧬 㧭 㧮 㧯 㧰 㧱 㧲 㧳 㧴 㧵 㧶 㧷 㧸 㧹 㧺 㧻 㧼 㧽 㧾 㧿 㨀 㨁 㨂 㨃 㨄 㨅 㨆 㨇 㨈 㨉 㨊 㨋 㨌 㨍 㨎 㨏 㨐 㨑 㨒 㨓 㨔 㨕 㨖 㨗 㨘 㨙 㨚 㨛 㨜 㨝 㨞 㨟 㨠 㨡 㨢 㨣 㨤 㨥 㨦 㨧 㨨 㨩 㨪 㨫 㨬 㨭 㨮 㨯 㨰 㨱 㨲 㨳 㨴 㨵 㨶 㨷 㨸 㨹 㨺 㨻 㨼 㨽 㨾 㨿 㩀 㩁 㩂 㩃 㩄 㩅 㩆 㩇 㩈 㩉 㩊 㩋 㩌 㩍 㩎 㩏 㩐 㩑 㩒 㩓 㩔 㩕 㩖 㩗 㩘 㩙 㩚 㩛 㩜 㩝 㩞 㩟 㩠 㩡 㩢 㩣 㩤 㩥 㩦 㩧 㩨 㩩 㩪 㩫 㩬 㩭 㩮 㩯 㩰 㩱 㩲 㩳 㩴 㩵 㩶 㩷 㩸 㩹 㩺 㩻 㩼 㩽 㩾 㩿 㪀 㪁 㪂 㪃 㪄 㪅 㪆 㪇 㪈 㪉 㪊 㪋 㪌 㪍 㪎 㪏 㪐 㪑 㪒 㪓 㪔 㪕 㪖 㪗 㪘 㪙 㪚 㪛 㪜 㪝 㪞 㪟 㪠 㪡 㪢 㪣 㪤 㪥 㪦 㪧 㪨 㪩 㪪 㪫 㪬 㪭 㪮 㪯 㪰 㪱 㪲 㪳 㪴 㪵 㪶 㪷 㪸 㪹 㪺 㪻 㪼 㪽 㪾 㪿 㫀 㫁 㫂 㫃 㫄 㫅 㫆 㫇 㫈 㫉 㫊 㫋 㫌 㫍 㫎 㫏 㫐 㫑 㫒 㫓 㫔 㫕 㫖 㫗 㫘 㫙 㫚 㫛 㫜 㫝 㫞 㫟 㫠 㫡 㫢 㫣 㫤 㫥 㫦 㫧 㫨 㫩 㫪 㫫 㫬 㫭 㫮 㫯 㫰 㫱 㫲 㫳 㫴 㫵 㫶 㫷 㫸 㫹 㫺 㫻 㫼 㫽 㫾 㫿 㬀 㬁 㬂 㬃 㬄 㬅 㬆 㬇 㬈 㬉 㬊 㬋 㬌 㬍 㬎 㬏 㬐 㬑 㬒 㬓 㬔 㬕 㬖 㬗 㬘 㬙 㬚 㬛 㬜 㬝 㬞 㬟 㬠 㬡 㬢 㬣 㬤 㬥 㬦 㬧 㬨 㬩 㬪 㬫 㬬 㬭 㬮 㬯 㬰 㬱 㬲 㬳 㬴 㬵 㬶 㬷 㬸 㬹 㬺 㬻 㬼 㬽 㬾 㬿 㭀 㭁 㭂 㭃 㭄 㭅 㭆 㭇 㭈 㭉 㭊 㭋 㭌 㭍 㭎 㭏 㭐 㭑 㭒 㭓 㭔 㭕 㭖 㭗 㭘 㭙 㭚 㭛 㭜 㭝 㭞 㭟 㭠 㭡 㭢 㭣 㭤 㭥 㭦 㭧 㭨 㭩 㭪 㭫 㭬 㭭 㭮 㭯 㭰 㭱 㭲 㭳 㭴 㭵 㭶 㭷 㭸 㭹 㭺 㭻 㭼 㭽 㭾 㭿 㮀 㮁 㮂 㮃 㮄 㮅 㮆 㮇 㮈 㮉 㮊 㮋 㮌 㮍 㮎 㮏 㮐 㮑 㮒 㮓 㮔 㮕 㮖 㮗 㮘 㮙 㮚 㮛 㮜 㮝 㮞 㮟 㮠 㮡 㮢 㮣 㮤 㮥 㮦 㮧 㮨 㮩 㮪 㮫 㮬 㮭 㮮 㮯 㮰 㮱 㮲 㮳 㮴 㮵 㮶 㮷 㮸 㮹 㮺 㮻 㮼 㮽 㮾 㮿 㯀 㯁 㯂 㯃 㯄 㯅 㯆 㯇 㯈 㯉 㯊 㯋 㯌 㯍 㯎 㯏 㯐 㯑 㯒 㯓 㯔 㯕 㯖 㯗 㯘 㯙 㯚 㯛 㯜 㯝 㯞 㯟 㯠 㯡 㯢 㯣 㯤 㯥 㯦 㯧 㯨 㯩 㯪 㯫 㯬 㯭 㯮 㯯 㯰 㯱 㯲 㯳 㯴 㯵 㯶 㯷 㯸 㯹 㯺 㯻 㯼 㯽 㯾 㯿 㰀 㰁 㰂 㰃 㰄 㰅 㰆 㰇 㰈 㰉 㰊 㰋 㰌 㰍 㰎 㰏 㰐 㰑 㰒 㰓 㰔 㰕 㰖 㰗 㰘 㰙 㰚 㰛 㰜 㰝 㰞 㰟 㰠 㰡 㰢 㰣 㰤 㰥 㰦 㰧 㰨 㰩 㰪 㰫 㰬 㰭 㰮 㰯 㰰 㰱 㰲 㰳 㰴 㰵 㰶 㰷 㰸 㰹 㰺 㰻 㰼 㰽 㰾 㰿 㱀 㱁 㱂 㱃 㱄 㱅 㱆 㱇 㱈 㱉 㱊 㱋 㱌 㱍 㱎 㱏 㱐 㱑 㱒 㱓 㱔 㱕 㱖 㱗 㱘 㱙 㱚 㱛 㱜 㱝 㱞 㱟 㱠 㱡 㱢 㱣 㱤 㱥 㱦 㱧 㱨 㱩 㱪 㱫 㱬 㱭 㱮 㱯 㱰 㱱 㱲 㱳 㱴 㱵 㱶 㱷 㱸 㱹 㱺 㱻 㱼 㱽 㱾 㱿 㲀 㲁 㲂 㲃 㲄 㲅 㲆 㲇 㲈 㲉 㲊 㲋 㲌 㲍 㲎 㲏 㲐 㲑 㲒 㲓 㲔 㲕 㲖 㲗 㲘 㲙 㲚 㲛 㲜 㲝 㲞 㲟 㲠 㲡 㲢 㲣 㲤 㲥 㲦 㲧 㲨 㲩 㲪 㲫 㲬 㲭 㲮 㲯 㲰 㲱 㲲 㲳 㲴 㲵 㲶 㲷 㲸 㲹 㲺 㲻 㲼 㲽 㲾 㲿 㳀 㳁 㳂 㳃 㳄 㳅 㳆 㳇 㳈 㳉 㳊 㳋 㳌 㳍 㳎 㳏 㳐 㳑 㳒 㳓 㳔 㳕 㳖 㳗 㳘 㳙 㳚 㳛 㳜 㳝 㳞 㳟 㳠 㳡 㳢 㳣 㳤 㳥 㳦 㳧 㳨 㳩 㳪 㳫 㳬 㳭 㳮 㳯 㳰 㳱 㳲 㳳 㳴 㳵 㳶 㳷 㳸 㳹 㳺 㳻 㳼 㳽 㳾 㳿 㴀 㴁 㴂 㴃 㴄 㴅 㴆 㴇 㴈 㴉 㴊 㴋 㴌 㴍 㴎 㴏 㴐 㴑 㴒 㴓 㴔 㴕 㴖 㴗 㴘 㴙 㴚 㴛 㴜 㴝 㴞 㴟 㴠 㴡 㴢 㴣 㴤 㴥 㴦 㴧 㴨 㴩 㴪 㴫 㴬 㴭 㴮 㴯 㴰 㴱 㴲 㴳 㴴 㴵 㴶 㴷 㴸 㴹 㴺 㴻 㴼 㴽 㴾 㴿 㵀 㵁 㵂 㵃 㵄 㵅 㵆 㵇 㵈 㵉 㵊 㵋 㵌 㵍 㵎 㵏 㵐 㵑 㵒 㵓 㵔 㵕 㵖 㵗 㵘 㵙 㵚 㵛 㵜 㵝 㵞 㵟 㵠 㵡 㵢 㵣 㵤 㵥 㵦 㵧 㵨 㵩 㵪 㵫 㵬 㵭 㵮 㵯 㵰 㵱 㵲 㵳 㵴 㵵 㵶 㵷 㵸 㵹 㵺 㵻 㵼 㵽 㵾 㵿 㶀 㶁 㶂 㶃 㶄 㶅 㶆 㶇 㶈 㶉 㶊 㶋 㶌 㶍 㶎 㶏 㶐 㶑 㶒 㶓 㶔 㶕 㶖 㶗 㶘 㶙 㶚 㶛 㶜 㶝 㶞 㶟 㶠 㶡 㶢 㶣 㶤 㶥 㶦 㶧 㶨 㶩 㶪 㶫 㶬 㶭 㶮 㶯 㶰 㶱 㶲 㶳 㶴 㶵 㶶 㶷 㶸 㶹 㶺 㶻 㶼 㶽 㶾 㶿 㷀 㷁 㷂 㷃 㷄 㷅 㷆 㷇 㷈 㷉 㷊 㷋 㷌 㷍 㷎 㷏 㷐 㷑 㷒 㷓 㷔 㷕 㷖 㷗 㷘 㷙 㷚 㷛 㷜 㷝 㷞 㷟 㷠 㷡 㷢 㷣 㷤 㷥 㷦 㷧 㷨 㷩 㷪 㷫 㷬 㷭 㷮 㷯 㷰 㷱 㷲 㷳 㷴 㷵 㷶 㷷 㷸 㷹 㷺 㷻 㷼 㷽 㷾 㷿 㸀 㸁 㸂 㸃 㸄 㸅 㸆 㸇 㸈 㸉 㸊 㸋 㸌 㸍 㸎 㸏 㸐 㸑 㸒 㸓 㸔 㸕 㸖 㸗 㸘 㸙 㸚 㸛 㸜 㸝 㸞 㸟 㸠 㸡 㸢 㸣 㸤 㸥 㸦 㸧 㸨 㸩 㸪 㸫 㸬 㸭 㸮 㸯 㸰 㸱 㸲 㸳 㸴 㸵 㸶 㸷 㸸 㸹 㸺 㸻 㸼 㸽 㸾 㸿 㹀 㹁 㹂 㹃 㹄 㹅 㹆 㹇 㹈 㹉 㹊 㹋 㹌 㹍 㹎 㹏 㹐 㹑 㹒 㹓 㹔 㹕 㹖 㹗 㹘 㹙 㹚 㹛 㹜 㹝 㹞 㹟 㹠 㹡 㹢 㹣 㹤 㹥 㹦 㹧 㹨 㹩 㹪 㹫 㹬 㹭 㹮 㹯 㹰 㹱 㹲 㹳 㹴 㹵 㹶 㹷 㹸 㹹 㹺 㹻 㹼 㹽 㹾 㹿 㺀 㺁 㺂 㺃 㺄 㺅 㺆 㺇 㺈 㺉 㺊 㺋 㺌 㺍 㺎 㺏 㺐 㺑 㺒 㺓 㺔 㺕 㺖 㺗 㺘 㺙 㺚 㺛 㺜 㺝 㺞 㺟 㺠 㺡 㺢 㺣 㺤 㺥 㺦 㺧 㺨 㺩 㺪 㺫 㺬 㺭 㺮 㺯 㺰 㺱 㺲 㺳 㺴 㺵 㺶 㺷 㺸 㺹 㺺 㺻 㺼 㺽 㺾 㺿 㻀 㻁 㻂 㻃 㻄 㻅 㻆 㻇 㻈 㻉 㻊 㻋 㻌 㻍 㻎 㻏 㻐 㻑 㻒 㻓 㻔 㻕 㻖 㻗 㻘 㻙 㻚 㻛 㻜 㻝 㻞 㻟 㻠 㻡 㻢 㻣 㻤 㻥 㻦 㻧 㻨 㻩 㻪 㻫 㻬 㻭 㻮 㻯 㻰 㻱 㻲 㻳 㻴 㻵 㻶 㻷 㻸 㻹 㻺 㻻 㻼 㻽 㻾 㻿 㼀 㼁 㼂 㼃 㼄 㼅 㼆 㼇 㼈 㼉 㼊 㼋 㼌 㼍 㼎 㼏 㼐 㼑 㼒 㼓 㼔 㼕 㼖 㼗 㼘 㼙 㼚 㼛 㼜 㼝 㼞 㼟 㼠 㼡 㼢 㼣 㼤 㼥 㼦 㼧 㼨 㼩 㼪 㼫 㼬 㼭 㼮 㼯 㼰 㼱 㼲 㼳 㼴 㼵 㼶 㼷 㼸 㼹 㼺 㼻 㼼 㼽 㼾 㼿 㽀 㽁 㽂 㽃 㽄 㽅 㽆 㽇 㽈 㽉 㽊 㽋 㽌 㽍 㽎 㽏 㽐 㽑 㽒 㽓 㽔 㽕 㽖 㽗 㽘 㽙 㽚 㽛 㽜 㽝 㽞 㽟 㽠 㽡 㽢 㽣 㽤 㽥 㽦 㽧 㽨 㽩 㽪 㽫 㽬 㽭 㽮 㽯 㽰 㽱 㽲 㽳 㽴 㽵 㽶 㽷 㽸 㽹 㽺 㽻 㽼 㽽 㽾 㽿 㿀 㿁 㿂 㿃 㿄 㿅 㿆 㿇 㿈 㿉 㿊 㿋 㿌 㿍 㿎 㿏 㿐 㿑 㿒 㿓 㿔 㿕 㿖 㿗 㿘 㿙 㿚 㿛 㿜 㿝 㿞 㿟 㿠 㿡 㿢 㿣 㿤 㿥 㿦 㿧 㿨 㿩 㿪 㿫 㿬 㿭 㿮 㿯 㿰 㿱 㿲 㿳 㿴 㿵 㿶 㿷 㿸 㿹 㿺 㿻 㿼 㿽 㿾 㿿 㸀 㸁 㸂 㸃 㸄 㸅 㸆 㸇 㸈 㸉 㸊 㸋 㸌 㸍 㸎 㸏 㸐 㸑 㸒 㸓 㸔 㸕 㸖 㸗 㸘 㸙 㸚 㸛 㸜 㸝 㸞 㸟

THE WHITE HOUSE
WASHINGTON

DATE: 06/15/93

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:



Be sure a copy
gets to Pence
Friday

Be - I wish we
could do this
He'd be
very good -



THE WHITE HOUSE
WASHINGTON

June 14, 1993

Bobby Roberts
3501 Hill Road
Little Rock, Arkansas 72205

Dear Bobby:

Thank you for your letter. I wish we'd had a chance to visit at Jamestown.

I appreciate your recommendation of Professor Gatewood for appointment to the National Council for the Humanities. I agree that he would be an outstanding appointment, and I have taken the liberty of forwarding your letter to Bruce Lindsey, Director of Presidential Personnel.

I hope to see you before long. In the meantime, let me hear from you more often.

Sincerely,

W

*William would
be good - Thane*

BOBBY ROBERTS
3501 HILL ROAD
LITTLE ROCK, ARKANSAS 72205

Cl
Paul
BC
memo

June 1, 1993

The President
The White House
Washington, D.C. 20500-2000

Dear Bill:

My mentor and dearest friend, Willard Gatewood, wants to be appointed to the National Council for the Humanities. I am sure your staff has his resume, but the enclosed summary says enough about his qualifications. More importantly, he is a person of great integrity and good common sense.

You and I have been friends for over fifteen years and I do not recall ever asking you for a favor. This appointment means a great deal to me and I am asking you to appoint Willard to this board.

I am sorry that we didn't have a chance to visit in Jamestown, but I enjoyed seeing you. Politics in Arkansas is no fun since you left, and I have talked to several legislators who wish you were back. Keep up the good work, and let me know how I can help you.

Sincerely,

Bobby Roberts
Bobby Roberts

P. S. To my knowledge, no Arkansan **ever** served on the National Council.
So that is another compelling reason to appoint Willard.

Willard B. Gatewood

Phone

Office: (502) 575-3001
Home: (501) 521-3406

Department of History
Old Main 416
University of Arkansas
Fayetteville, Arkansas 72701

Education:

B.A. (1953), M.A. (1954), Ph.D. (1957), Duke University (Phi Beta Kappa)

Experience:

1957-58, Assistant Professor, East Tennessee State University
1958-60, Assistant Professor, East Carolina University
1960-64, Associate Professor/Chairman, N.C. Wesleyan College
1964-70, Associate Professor/Professor, University of Georgia
1970- Alumni Distinguished Professor, University of Arkansas
1984-85, Provost and Chancellor, University of Arkansas

Professional Organizations:

American Historical Association, Organization of American Historians,
Southern Historical Association (President, 1986-87), Historical Society
of North Carolina, Arkansas Historical Association.

Editorial Boards:

The Georgia Review, 1967-70; Journal of Negro History (1971-74); Ozark
Historical Review, 1972 to 1990, Arkansas Historical Quarterly, 1992-.

Honors and Awards:

Michael Research Award, University of Georgia, 1968
Parks Excellence in Teaching Award, University of Georgia, (1970)
Teacher of the Year, ODK, 1978-79, University of Arkansas
Distinguished Research Award, 1980, University of Arkansas
Humanist of the Year, 1981-82, Arkansas Endowment for the Humanities
Violet Gingles Award, Arkansas Historical Association
Arkansiana Award, Arkansas Library Association, 1983

Books:

Eugene Clyde Brooks (1960)
Preachers, Pedagogues and Politicians (1966)
Controversy in the Twenties (1969)
Theodore Roosevelt and the Art of Controversy (1970)
Smoked Yankees (1971)
Black Americans and the White Man's Burden (1975)
Slave and Freeman (1979)
Governors of Arkansas (with T.P. Donovan, 1981)
Free Man of Color (1982)
Aristocrats of Color: The Black Elite 1880-1920 (1990)

Articles:

70 articles in historical journals.

Other:

Board of Directors, Winthrop Rockefeller Foundation
Board of Directors, Arkansas Humanities Council
Review panelist for National Endowment for the Humanities (NEH)-9 panels
Chair, State Department of Arkansas Heritage-Advisory Commission, 1989-
Director of 2 NEH Summer Seminars
Director, 25 Ph.D. dissertations, 26 M.A. theses at University of
Arkansas and University of Georgia
Member, Arkansas Black History Commission
Historical Consultant: "Saturday Night, Sunday Morning: The Travels of
Gatemouth Moore" (Documentary Film, 1992)

More complete resumé upon request.

THE WHITE HOUSE
WASHINGTON

DATE: 06/15/93

NOTE FOR: TIM FLYNN

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

Information x ☒ x

Action x ☒ x x

Thank you.

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

cc:



Let me have
the book—
ce Tim
Flynn

(Let me have
the book.)



THE WHITE HOUSE
WASHINGTON

June 14, 1993

Meredith Cabe
415 Colonial Court
Little Rock, Arkansas 72201

Dear Meredith:

Thanks for sending the autographed copy of One-Room Schoolhouses of Arkansas as Seen through a Pinhole. It was a kind and thoughtful gesture, and Hillary and I appreciate it.

I know you recently faced a difficult decision, but I am sure you've made the right choice for you. I do think you'll enjoy law school, and I know you will do well.

Sincerely,

BMW

Connie M.

Daniel Patrick Moynihan

Don't Blame Democracy

The socialization of slow-growth jobs.

Productivity in most sectors has improved dramatically in the past 200 years, but not in jobs such as the arts, teaching, law and health care, which require a high level of personal input. For those working in such jobs to have anything like a contemporary standard of living, the relative cost of their services must be much higher than it was in the past. As price goes up, supply shrinks. Essential, but low-profit industries migrate to the public sector, and government is blamed for spending more than it takes in. Any health care reform must be explained with this principle clearly in mind.

Happy the age that finds its philosopher! A good one, that is. I refer to the worldly philosophers, as Robert Heilbroner describes economists. As, for example, in the Great Depression of the 1930s, the private sector of the economy was not working and it was widely held that it could not. Along came John Maynard Keynes to show that to the contrary it would work very well given sufficient demand, which government could see to.

During the Kennedy years, there was much talk in the White House mess of unemployment. But what that gentle Keynesian Walter Heller wanted was more money in circulation. There was a problem in those days—younger readers will want to follow this closely—called fiscal drag. As the business cycle brought the economy up toward full employment, federal taxes brought in more and more revenues. But Congress would not spend them. This in turn depressed the economy, and we never reached full employment. Heller's thought was to share revenue with the states. Governors seemed well enough disposed to spending. In the same spirit, George Shultz in the Nixon era put together a "full-employment budget," which had a deliberate deficit equal to the extra revenue that would be realized if there were full employment—thus providing a stimulus toward that end.

All this was long ago. A time when government didn't spend enough money. A time when you had to deliberately contrive a deficit. It is said the problem of our age is that government spending is out of control. Capitalism is doing fine, but government has gone to hell. It cannot control itself or its appetites. Its wants are unlimited and threaten the stability of the society. We must change the government and change the Constitution, even change the ways of democracy. Indeed, it is argued that representative democracy doesn't work.

Nonsense. Democracy works as well as it ever did. But government is suffering from Baumol's disease. It's not a fatal malady, but it won't go away. And it can be managed if only it is understood.

Baumol's disease is the construct named for William J. Baumol of New York University. (He calls it "the cost disease of the personal services," but his fellow academics call it after him in the manner of Say's Law or the Laffer Curve.) It is first set forth in his work "Performing Arts: The Economic Dilemma," written with William G. Bowen in 1966. His most recent elaboration was presented in May at the 250th annual meetings of the American Philosophical Society in a paper titled: "Social Wants and Dismal Science: The Curious Case of the Climbing Costs of Health and Teaching." Benjamin Franklin founded the society for "promoting useful knowledge," and Baumol was true to the tradition. It is all very plain, nothing in the least like Keynes's "The General Theory of Employment, Interest and Money."

Start with Mozart. In 1793 to "produce" a Mozart quartet required four persons, four stringed instruments, and, say, 35 minutes. To produce a Mozart quartet today requires—four persons, four stringed instruments, 35 minutes. Productivity—output per person per hour—has hardly changed. You can play the "Minute Waltz" in 50 seconds, but it isn't the same.

All this means that if 20th century musicians are to have anything like a contemporary standard of living, the relative cost of their services will be much greater than it was in the 18th century. Why? Because productivity in other sectors has dramatically improved, and so have wages in those sectors.

The performing arts are notorious. The Globe Theater got back the production costs of a play in one week, which is why Shakespeare saw 37 of his plays produced. It would take a year today. A recent issue of the New Yorker noted that when the magazine "first hit the stands, in 1923, there

were 228 shows on Broadway." This was a drop from 1,500 in 1910. Today there are 19. A play still takes three hours to produce, and so the relative price of actors also keeps going up, and supply shrinks.

But, supposing a particular service is deemed indispensable, such that we feel that supply must be maintained. Simple. The relative cost of that service will rise. And rise. Start at the beginning. How many man/woman hours are required to produce one weekend of baby-sitting for a 2-year-old grandson? Answer, making allowance for light sleep and naps, approximately 80 hours per unit of production. (Details on request.) It was the same a century ago and will be the same a century hence. Same story in kindergarten, high school, college classes. Same size as a century ago. Graduate seminars: one professor, nine students.

In the meantime, productivity in the manufacture of durable goods, for example, grows (1979-90) at 2.8 percent, which doubles in 25 years.

One of Baumol's discoveries is the persistence in the patterns of differences in productivity growth between economic sectors. In his Philosophical Society paper he writes:

A given sector of the economy does not usually fluctuate haphazardly between periods of relatively slow and relatively rapid advance in productivity. Rather, the industries in which productivity was expanding slowly a century ago are, by and large, the very ones that are still the laggards of today. And the endurance of productivity stagnancy in those industries has imposed upon them a distinctive price history that is the fundamental symptom of the cost disease of the personal services. This cost disease phenomenon occurs when the services ... are plagued by cumulative and persistent rises in their costs, increases that normally exceed to a significant degree the corresponding rate of increase for commodities generally, i.e., almost always outstrip the economy's rate of inflation.

The services in question, which I call The Stagnant Services, included, most notably,

health care, education, legal services, welfare programs for the poor, postal service, police protection, sanitation services, repair services, the performing arts, restaurant services and a number of others that will soon suggest themselves. The common element that characterizes them all is the handicraft attribute of their supply process.

Notice anything? Education, welfare, police, sanitation. All these are public sector activities, or mostly so. Is this immutably the case? Not that long ago, all of the above were in the private sector. Let me offer, then, a subtext to Baumol. Activities with cost disease migrate to the public sector, much as in olden times persons with polio made their way to Warm Springs or Saratoga. But mineral water doesn't cure polio, and the public sector doesn't cure Baumol's disease. It simply makes it more conspicuous. Hence our quarter-century turmoil over the cost of government and, now, the size of the deficit.

The great migration in our case took place during the Johnson-Nixon years, roughly 1964 to 1972. Look back at Baumol's list. Almost every item can be

112

matched up with a Great Society or New Federalism initiative. Medicare, Head Start, Legal Services, Child Nutrition, Safe Streets, Clean Water, the National Endowment for the Arts. From modest beginnings great expenditures grew, and conservatives got alarmed. In the early Reagan years, a budget crisis was deliberately allowed to develop in the expectation that these costs would be cut back. In David Stockman's account, once a \$100 billion deficit appeared "we would have the . . . craven politicians pinned to the wall. They would have to dismantle . . . bloated, wasteful and unjust spending enterprises—or risk national ruin." He had made "fiscal necessity the mother of political invention."

Well, not quite. The cuts never came, and in place of tax-and-spend we got borrow-and-spend. The problem was not craven politicians but cost disease. In no time we were a debtor nation—the price of not keeping up with the literature.

It is now the liberals' turn to face this reality. Or else fail as conservatives failed. The basic liberal argument—complaint would be the better term—is that we don't spend enough. But cost disease decrees that on matters of special concern to liberals, you can never spend enough. In Baumol's words, these activities "are condemned to a pattern of spiraling increases in their real prices that appears to put them beyond the reach of both the individual and the state."

This is, however, only appearance. As productivity brings the cost of commodities down, more can be spent on services without any decline in consumption of goods. Assuming historical productivity rates, Baumol expects that by the year 2040 we will be spending 35 percent of gross domestic product on health care and 29 percent on education. This compares with 11.6 percent and 6.7 percent in 1990. If, however, these end up as government costs, then government will have grown too large and politics too important. Liberalism will be seen to have failed as badly as conservatism.

Health care reform will be the test. Technological advances in medical care have been spectacular (and costly), but labor-saving innovations are harder to come by because of the inherently handicraft nature of medical activities. The amount of physician time spent per patient-visit or per illness may have declined somewhat, but only marginally. (As cost disease theory would predict, the real income of physicians has been declining of late, having been virtually constant for a long period after World War II.)

Baumol argues that it is not the amount of our health care costs that matters but the rate of increase. At the present rate, which is about in the middle of the countries that make up the Organization for Economic Cooperation and Development, costs will double in the next 10 years. So don't promise otherwise. Don't. And don't get cute with price controls. They can only work by reducing quality. Rising costs of health care are natural and in one sense welcome in that they are accompanied by better health. Market disciplines can keep the rises from becoming lunatic.

Baumol's message is profoundly hopeful; much as was Keynes'. As long as productivity is growing in the economy as a whole, it makes no matter that it is laggard in some sectors. The great educational task, as he writes, is "getting the public to recognize the difference between the reality and the illusion in the behavior of costs."

The writer is a Democratic senator from New York.

2/2

140 ★

From 85 on only Germany
kept 20% GDP going to health
care state or declining
Also raising good
Qs about relationship to
productivity &
private sector!

Copy

THE WHITE HOUSE
WASHINGTON

June 15, 1993

MEMORANDUM FOR DEE DEE MYERS

FROM: JOHN PODESTA

SUBJECT: ARMSTRONG

I've been waiting to hear from Steve Neuwirth, who is evidently at the Court. Argument is going on now, so questions would likely come later this afternoon. In general, I think you can make the following points:

- o We believe the District Court erred in holding our Administration in contempt for failure to comply with orders issued against the previous Administration.
- o The Clinton Administration has gone further than any before in issuing specific guidance on preserving Presidential and Federal records including electronic mail.
- o We have been working diligently to upgrade our computer systems to provide improved record storage and management.
- o The agreement entered into by the Bush and Reagan Administrations and former Archivist Donald Wilson for handling records of those Administrations are under review by the Court and the Department of Justice. Both the agreements legal sufficiency as well as the circumstances under which it was entered into are being reviewed. We await that review.

THE WHITE HOUSE

WASHINGTON

Mail addressed to the President is basically of two types: propaganda mail and personalized letters to the President. Propaganda mail consists of letters or postcards with identical language that are sent as part of a coordinated write-in campaign. Often times, this type of mail is simply pre-printed postcards stating a particular view on a particular subject. The sender simply signs the postcard and mails it to the President. In this sense, propaganda mailings are similar to petitions.

Propaganda mail is separated from the President's other mail. It is then counted and stored. ~~The mail is stored for at least 30 days after being processed before it is eligible for destruction.~~ The mail remains in storage until reviewed by an official of the United States Archives and it is approved for destruction by that official.

All non-propaganda mail is read by White House staff or trained volunteers after it is separated from the propaganda mail. Depending upon the contents of the letter, it is either answered by the Correspondence Department, routed to another department for its action or not answered if an answer would be inappropriate. Those letters, such as thank you notes, for which it is determined that an answer is not necessary, are treated like propaganda mail.

The Correspondence Department responds to letters either with a form letter, a card or a specially drafted letter. If the response is a form letter or card, the incoming letter is put in storage after the response has been sent out. The mail is stored

Samples are retained for historic purposes

until sampled and

~~for at least 30 days and then reviewed by an Archives official.~~

^ The mail is destroyed only if so directed by the official.

If a specially drafted response is prepared, a copy of the response and the original incoming letter are clipped together and stored by the Records Management Office. It is my understanding that this correspondence ~~is not destroyed.~~

ask. ~~not~~ stored pursuant to the President's records policy

is retained and will be transferred to

Correspondence that is addressed to the First Lady is handled by the First Lady's Unit in the Correspondence Department. (Mail that is addressed to both the First Lady and the Health Care Task Force is delivered unopened by the Correspondence Department to the Health Care Reform Task Force Intake Room.) Mail addressed to the First Lady is opened and sorted by White House staff and trained volunteers. Any correspondence relating to ^{activities of task force} health care reform is forwarded to the Health Care Reform Task Force Intake Room. All other

correspondence is handled by the First Lady's Unit, which follows procedures analogous to those outlined above for presidential correspondence?

THE WHITE HOUSE
WASHINGTON

Marsha,

Attached is a draft of the language you requested for the declaration. I believe we should review the following additional points with counsel before this document is finalized for your signature:

1. Definition of health care reform mail. While we have consistently forwarded mail re health care reform to the Task Force, we have not consistently forwarded mail re other health care issues, such as women's health, no smoking policies, immunization and children's health. It is possible that some of this mail was coded with general issues postcards and was subsequently disposed of by Records Management.
2. Casework on behalf of people with health problems was forwarded to Agency Liaison by both my office and the Health Care Task Force. I am pretty sure that Records Management retained all of these records and that they are retrievable through the Agency Liaison system.
3. I am not that comfortable with the bracketed language because it is not clear to me that the HCTF followed a consistent policy regarding items it treated as policy and stored with the HHS reading room versus items it merely responded to with a postcard and stored with Records Management.

THE WHITE HOUSE

WASHINGTON

The established policies for processing correspondence addressed to the First Lady which relates to health care reform are as follows:

Correspondence addressed to both the Health Care Reform Task Force and the First Lady is delivered unopened by the Mail Room staff to the Health Care Reform Task Force Intake Room (the "Intake Room"). Correspondence addressed only to the First Lady is delivered unopened by the Mail Room staff to the First Lady's General Correspondence Unit, where it is opened and sorted. After the First Lady's correspondence staff opens and sorts the correspondence addressed to the First Lady, any such correspondence relating to health care reform is forwarded to the Intake Room.

~~Correspondence relating to health care reform which is received in the Intake Room is acknowledged, except in limited circumstances, such as correspondence received in connection with an organized letter writing campaign. Health care reform related correspondence processed by the Intake Room, whether or not acknowledged, is retained either in the reading room at the Department of Health and Human Services ("HHS") or by the Records Management Department at the White House. [Correspondence received in connection with letter writing campaigns, correspondence from organized interest groups and non-profit associations and correspondence offering suggestions regarding health care reform policy is retained at the HHS reading room. Other health care reform related correspondence is archived by the Records Management Department at the White House.]~~

THE WHITE HOUSE
WASHINGTON

June 4, 1993

MEMORANDUM TO THE PRESIDENT

FROM: JENNY MCCARTHY
DIRECTOR, OFFICE OF AGENCY LIAISON

THROUGH: MARSHA SCOTT
DEPUTY DIRECTOR TO THE PRESIDENT AND DIRECTOR OF
PRESIDENTIAL CORRESPONDENCE

SUBJECT: CASEWORK OF PARTICULAR INTEREST AND LETTER TO SALVATION
ARMY GENERAL-ELECT

I wanted to let you know about two cases we have recently handled that may be of interest to you.

Also included is a suggested letter of congratulations to Commissioner Bramwell H. Tillsley, the General-Elect of The Salvation Army. Commissioner Tillsley has been with The Salvation Army since 1956. We often rely on The Salvation Army for hardship cases that fall beyond the reach of government.

1. Myrtle and Evard Snell: Myrtle Snell of Darby, Pennsylvania, wrote to you about her 90-year-old husband Evard, a retired Marine Corps Major who served for 33 years in the military. During World War I, he was exposed to mustard gas, and in World War II he contracted malaria and was temporarily blinded by fragments from a mortar shell blast.

In 1991, Major Snell's health deteriorated to the point that he had to move to a nursing home. As the costs of that care ran \$48,000 per year, the Snell's savings were exhausted. During this time, Mrs. Snell had tried repeatedly to get her husband transferred to a Department of Veterans Affairs' nursing home and obtain service-connected status for him. Recently, she succeeded in getting his name on a waiting list for a VA nursing facility. The wait could be months, however, and the Snells could not afford to wait any longer.

When Charlene Cozart of this office contacted the VA, she was informed that Major Snell's name had been removed from the nursing home waiting list because the absence of service-connected injuries left him with a low priority rating. After Charlene informed our VA contact that Mrs. Snell had filed numerous times for a service-connected rating, the VA conceded that Major Snell was eligible for immediate entry to a VA nursing home. The VA also agreed to look into whether the Snells were eligible for retroactive benefits.

When Charlene notified Mrs. Snell, she told Charlene that she could not fully express in words the weight that had been lifted from her shoulders thanks to your help. Myrtle Snell's letter is attached, as well as a suggested letter from you to her.

2. **Steve and Doreen Berlin:** Steve Berlin of Cleveland, Ohio, asked for your help in obtaining a motorized wheelchair from Medicaid for his 38-year-old wife, Doreen. In 1991, his wife accidentally shot herself with the family gun and was left paralyzed from the neck down and dependent on a ventilator. She lives in a nursing home.

Mr. Berlin was unable to obtain the customized wheelchair because neither Ohio's Medicaid program nor the one in Washington state, where they had previously lived, would claim responsibility. When Wendy Towber of this office explained the situation to an official at Ohio's Medicaid program, she was informed that Ohio would agree to handle the request. However, the official stated that it likely would be turned down because the severity of Mrs. Berlin's disability left "little reason to grant her such an expensive and technologically advanced wheelchair."

After numerous contacts with individuals within the Ohio Medicaid program, officials agreed to provide the customized wheelchair to Mrs. Berlin and seek the services of a personal attendant and a wheelchair lift for her. Mrs. Berlin will now be able to obtain computer training through Ohio's vocational rehabilitation program. When Wendy told Mrs. Berlin, she was elated and full of future plans. The computer skills will enable her to help keep the books at her father's air conditioning business and write articles to alert others about the dangers of playing with guns.

The Berlins expressed their thanks to you for making this possible. I have enclosed Mr. Berlin's letter to you.

Post Script: Doreen Berlin's nursing home care costs Ohio's Medicaid program over \$125,000 per year, for a total of more than \$300,000. Her customized wheelchair represents a one-time investment by Medicaid of \$10,000 to \$15,000, and a wheelchair lift will cost approximately \$2,000. Personal attendant services range between \$10 and \$20/per hour. An attendant is needed only on a part-time basis, as Steve Berlin wants to serve in this capacity when he is not at work.

HOBART ROWEN

Creating Jobs Remains Nation's Critical Issue

For those fortunate enough to have jobs, especially good ones, the glass is always going to be half full rather than half empty. With a regular paycheck coming in, it's easy to get along in a sluggish economy that removes the threat of inflation, defangs the labor unions and ensures high corporate profitability.

It's a made-to-order situation for those who have arrived: Interest rates are low, which means that bondholders are happy. And since real estate is depressed, there are bargains to be snapped up.

Thus, while the annual rate of economic growth in the first quarter was a miserly 0.9 percent, corporate profits—after taxes—rose a nifty 5.3 percent in the same period, according to the WEFA Group, a private firm in Bala Cynwyd, Pa.

But for those new entrants into the labor force who don't have jobs, or those who lost jobs—and with that loss, the security of medical insurance—the glass is more than half-empty: It's empty.

President George Bush learned the hard way last year that a politician who does nothing in the face of a recession—and instead just bets on the ebb and flow of the business cycle to give things a lift—will soon be looking for employment. That's what the Clinton slogan, "It's the economy, stupid!" was all about.

Right now, it's hard to get a reading on where the economy is, or where it is heading. Statistics run mixed to contradictory.

On the down side: That first-quarter gross domestic product growth rate of less than 1 percent was far below the 4.7 percent rate racked

ROWEN, From H1

up in the final quarter of 1992. A survey released last week by Dun & Bradstreet Corp., a business information company, found manufacturers in May at their gloomiest since the Persian Gulf War in late 1991. Manufacturers, said Dun & Bradstreet analyst Douglas P. Handler, worry about "the combination of slower economic growth and the prospect for higher taxes."

On the other hand, April new-home sales zoomed 22.7 percent over March to a six-year high, and anecdotal evidence indicates that consumers are back in the department stores and auto showrooms, although they are drawing down savings. The jobs picture did brighten in May, according to Friday's report by the Bureau of Labor Statistics: Unemployment edged down to 6.9 percent from 7 percent of the labor force, and the economy added 206,000 jobs, perhaps 100,000 more than had been forecast.

Yet the recovery from recession is getting underway very slowly. Despite the improvement in May, revised data show the nation is still way behind the pace at comparable stages of the last three recoveries prior to the 1980s, according to Daniel Bachman of the WEFA Group.

In the 26 months since the recession low point in March 1991, the nation has added only 1,626,000 public and private jobs, compared with the earlier average gain of 4,480,000 jobs, 26 months after the low point of those recessions.

Mitchell S. Fromstein, president of Manpower Inc.—a major supplier of temporary workers—said last week: "We sense a prevailing uncertainty among business enterprises that keeps the lid on traditional post-recession hiring patterns."

Although many companies say they are delaying new hires because of uncertainties over the prospective cost of the new health reform package, Bachman said in an interview that there is a much broader reason explaining the tendency among businesses to use

overtime and to hire part-timers and "temps" rather than full-time employees, wherever possible.

"Restructuring of the labor force has been going on a long time, well before health costs became a factor," according to Bachman.

Today, companies don't want to take on too many permanent workers for a variety of reasons, not just to cut back on health insurance costs. The primary motivation is a hard look at the bottom line. Companies can save money by retaining flexibility. For example, if there is an influx of new orders, managers today can hire "temps," then let them go when the orders are filled.

"That way, they have kept the possibility of unused labor very small," Bachman said. If this trend persists, economic growth could be satisfactory, while job creation is not.

Americans never had "lifetime" job assurance, Japanese-style. But there was always a reasonable expectation among college graduates and others with training that they could fit easily into productive work on a fairly permanent basis that allowed them to raise families and buy a home and a car.

That's no longer so certain, a fact that could have a profound social impact. International competition has forced American companies, if they want to survive, into flexible labor force arrangements. In Europe, which faces similar problems, there is a good deal of sentiment for a sharp cut in the work week, so as to spread the available jobs around.

There is little serious talk here of a shorter work week. But how to deal with the growth/jobs nexus is a top priority for Labor Secretary Robert Reich, Council of Economic Advisers Chairman Laura D'Andrea Tyson, and other Clinton economic advisers. They acknowledged there are no easy solutions. If there is a "disconnect" developing between economic growth and job creation, the glass is going to stay half empty for a lot of workers for a long time to come.

THE PRESIDENT HAS SEEN

Book
Interview idea
Shorter work week
B

6/15

Clinton's Math: More Gets Less

By Diane Ravitch

WASHINGTON

In his campaign document "Putting People First," Bill Clinton promised to create "a set of national standards for what students should know" and an examination system measure our students' and schools' progress in meeting the national standards.

Unfortunately, the Administration's school reform bill is not likely fulfill that promise but would expand dramatically the scope and cost of federal regulation of local schools. Instead of emphasizing standards for students, the bill focuses on standards for schools. You do not have to a seer to predict that the new standards, euphemistically called "opportunity to learn" standards, would permit federal regulation of curriculum, textbooks, facilities and instructional methods without adding significant federal aid.

The demand for national standards and assessments results from the education goals endorsed by President George Bush and the nation's governors at an education summit meeting in 1989. Bill Clinton played a leading role in forging the six ambitious goals for the year 2000, including pledges that children will start school "ready to learn" and that students will be "first in the world" in mathematics and science.

Progress toward these goals depended on setting high internationally competitive standards and on creating new kinds of tests based on those standards. The strategy focused on results — that is, whether children were learning — and on deregulating schools so that teachers would be free to innovate and do whatever worked. The participants in the summit meeting knew other changes were necessary — reform of teacher education, more money for retraining, greater use of new technologies in the classroom and larger budgets for programs for disadvantaged and pre-school children.

When Lamar Alexander was Secretary of Education, his department made grants to professional groups to

develop voluntary national standards in science, history, the arts, civics, geography, English and foreign languages. (Curriculum standards in mathematics already had been developed by the National Council of Teachers of Mathematics.)

Given the history of cooperation on the national education goals between George Bush and Bill Clinton, there was every reason to expect there would be continuity between the two administrations.

The bill originally prepared by President Clinton's Department of Education was intended to further the bipartisan support of national standards and assessments. But key Democrats on the House Education and Labor Committee rejected the proposal, arguing that it would not be fair to assess students until school

resources were equalized.

To satisfy Congressional critics, the Administration revised its bill, weakening its testing provisions and laying the foundation for an interventionist federal role in local schooling. The bill seeks to establish new "opportunity to learn" standards, which are intended to measure the resources, teachers, facilities and poli-

cies available in each school.

At the heart of the bill is a powerful new agency, called the National Education Standards and Improvement Council, which would function like a national school board. It would certify national curriculum standards, state tests and state "opportunity to learn" standards. All 20 members would be appointed by President Clinton, with no requirement for bipartisanship. By law, at least 15 of the members would be professional educators, thus abandoning the tradition of lay control of education.

Any state that presented its testing program to the council for certification would be prohibited from using that assessment for promotion, graduation or program placement for at least five years, thus rendering the test virtually useless. And any new

national standards would wither if students continued to be tested on the old multiple-choice quizzes that are not based on the new standards.

More worrisome are the bill's new "opportunity to learn" standards, which would be defined by a new Federal commission. They would include whether teachers knew the curriculum, whether teachers used "the best knowledge" in their classrooms and what kinds of technology and materials were available in schools. They might also include class size, disciplinary policy and policy regarding ability grouping.

The bill describes the Federal "opportunity to learn" standards as "voluntary," but litigation would quickly turn them into mandates. Even now, some members of Congress want to make these standards mandatory or to require them as a condition for Federal financing.

If Washington were demonstrably wiser than states and local districts, this might be a worthy reform program. And if Washington put up 50

His school plan puts bureaucracy first, not students.

percent of the cost of schooling instead of only 6 percent, it might have the right to tell everyone else what to do. But for the past decade school reform has been launched at the state and local level, not in Washington.

The Clinton Administration's new bill seems likely to add a new layer of bureaucracy, to impose reform from the top down and to dampen the innovative spirit that is now alive in thousands of schools and districts.

If passed, the bill would set back the original agenda of standards and assessments. It would lead to a generation of litigation over distribution of resources, how to measure teacher quality and how to determine which knowledge is "best" for every classroom. Education policy would shift away from results and back to an emphasis on reform through compliance with regulations.

We need a sound program of national standards — to identify what students should know and be able to do in order to succeed in a competitive world. National standards could be a powerful lever for equity and excellence and could promote reform of tests, textbooks and teacher training (as is already happening in math). And we need a valid system to assess students' progress and to persuade state legislatures and Congress to spend more on students and schools that need extra help.

President Clinton should rescue his own campaign proposal before it is too late. He got it right the first time. □

THE PRESIDENT HAS SEEN

6/15

Chase

Education

to keep an answer

*

16


THE WHITE HOUSE
WASHINGTON

DATE: 06/14/93

NOTE FOR: MACK MCLARTY

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:

cc:
Mae A.

File - important
going to keep working

B.



THE WHITE HOUSE

WASHINGTON

6/14/93

Dear Jorge -

Thank you for your
letter, your support, and
your encouragement - being
in there with us!

Sincerely
Bill

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

Mr. Jorge L. Bolanos
5894 SW 131 Terrace
Miami, FL 33156

Jorge L. Bolanos
5804 SW 131 TERRACE • MIAMI, FLORIDA 33156

June 1, 1993

President Bill Clinton
White House
1600 Pennsylvania Avenue N. W.
Washington, D. C. 20500

Dear President Clinton:

On behalf of all Cuban American Democrats, we want to thank you very much for hosting such a beautiful reception at the Rose Garden. The Cuban Community has not stopped expressing their appreciation over your sincere expressions of respect and concern for our community.

Our grass roots team, who worked so hard during the campaign, were re-inspired and overwhelmed with the affection received from you and our beautiful First Lady. They are looking forward that next year they will be able to reciprocate in Miami.

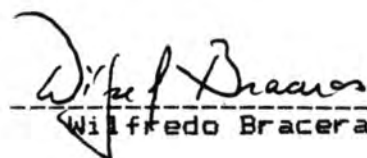
We are aware that the scheduling and coordination of our activity was particularly taxing and we wanted you to know of our gratitude to: David Wildhelm, Rahm Emmanuel, Representative Bob Menendez, Representative Bill Richardson, Maria Rodham, Matt Gorman, Sam Rodriguez, Susana Valdez, Regina Montoya and many others, whose names I missed, for their special efforts.

With your leadership we will turn our nation around and erode the Republican's strong hold over our community. Please tell the "kids" not to be discouraged by the unfair criticism of the news media. It is going to take all their energy, focused once in a while by "old guys" like us to get the job done.

Un sincero y muy fuerte abrazo,



Jorge L. Bolanos



Wilfredo Braceras

THE WHITE HOUSE
WASHINGTON

June 14, 1993

MEMORANDUM FOR LEON PANETTA
BOB RUBIN

FROM: JOHN PODESTA *JP*
SUBJECT: THE FY 1995 BUDGET DECISIONS

I am returning this memo to you to be handled as we discussed. I did not forward it to the President, but I understand that you will discuss the substance with him in your meeting. I recommend that you share this schedule and approach with Tony Lake and Carol Rasco if you have not already done so.

Finally, I think you need to coordinate the integration of the reinventing government process with this budget outline (i.e., brief the Vice President on the process and timing issues).

Attachment

June 11, 1993 3:11 PM P8:00

MEMORANDUM FOR THE PRESIDENT

FROM: Leon Panetta and Alice Rivlin

Bob Rubin, Bob Cutler and Gene Sperling

SUBJECT: The FY 1995 Budget Decisions--A Big Challenge and Opportunity

Although we are all still struggling with reconciliation and the FY 1994 appropriations the time has come to focus on the FY 1995 budget cycle. We believe that the extremely tight budgetary outlook for FY 1995 should be seen as an enormous opportunity to prune out ineffective programs and refocus government on a smaller number of high priority, better defined missions. This memo explains why we think this and proposes a schedule for making decisions on the FY 1995 budget.

The Stark Reality of FY 1995

As you know, the Congress in its budget resolution opted for a "hard freeze" on discretionary spending. As a consequence, the FY 1995 discretionary outlay cap implied by the resolution is \$13.6 billion below the FY 1995 outlays shown in our economic plan (see table below). The discretionary investments proposed in the plan imply 1995 outlays of about \$18 billion. These investments do not include important initiatives now under development, such as welfare reform.

DISCRETIONARY PROPOSALS COMPARED TO CAPS
(in billions of dollars)

	<u>FY 1994</u>		<u>FY 1995</u>	
	<u>Budget</u> <u>Authority</u>	<u>Outlays</u>	<u>Budget</u> <u>Authority</u>	<u>Outlays</u>
Caps in the House Reconciliation Bill	501.0	538.7	506.3	541.1
Proposals in the FY 1994 Budget	<u>508.9</u>	<u>544.1</u>	<u>522.6</u>	<u>554.7</u>
Amount by which proposals exceed caps	7.9	5.4	16.3	13.6
Proposed Investments (discretionary only)	16.7	5.9	29.4	17.8

The process of cutting \$5.4 billion in outlays from our original FY 1994 spending proposals to get to the spending caps has been extremely painful. Although we have fought hard to protect the highest priority investments, it is already evident that much of our program will not be funded in FY 1994. In FY 1995 discretionary spending must be cut by two and a half times as much.

The stark reality is that unless we cut deeply into "the base" of on-going federal programs in FY 1995 we will not be able to fund the Administration's investment program - or any other new initiatives. Another round of nickel and dime cuts - shaving here, paring there - will not produce the required savings. Hence, preserving the Clinton program and making room for new priorities requires an entirely new approach to the budget for FY 1995.

Seizing the Opportunity

The budgetary reality presents a major opportunity to rethink and restructure federal activities. We can seize this opportunity to reexamine the whole range of government programs. We can identify sets of activities that are no longer high priority, that are of questionable effectiveness, or that other levels of government could perform as well. We can work with the Congress to eliminate these programs or drastically restructure them. The result could be a leaner, more effective, more manageable federal government - and room in the budget for higher priorities identified by the Administration. The effort could integrate the best ideas of the National Performance Review into the FY 1995 budget process.

Structuring the Budget Decision Process

The traditional federal budget process has been a bottom-up effort that tends to preserve the base and make only incremental changes at the margin. Agencies usually submit their budget requests to OMB in September. These are examined painstakingly by OMB staff. After a series of Director's Reviews in October and November, the OMB Director issues a "passback" in late November. Agencies can appeal to you in December and final decisions are made shortly thereafter--usually by Christmas.

For FY 1994 the budget process was both extremely compressed and turned on its head. Because of the shortness of time there were no agency submissions. Instead you made overall decisions on the main features of the FY 1994-98 economic plan which OMB translated into FY 1994 budget details. The process was essentially top down. Cabinet officers were new and did not yet have firm views about their priorities.

The difficulty of the decisions to be made for FY 1995 - especially the necessity of cutting deeply into the base - requires a new kind of budget process.

- The process should be collegial. The adversarial relationships that have sometimes developed between the agencies and the OMB (or the White House) should be avoided.
- The process should be interactive. You should have ample opportunity to think about alternative sets of priorities and to interact with his Cabinet and top staff as the process proceeds.
- The process should be informed. OMB should work with the agencies to lay out options and alternatives so that you and others can see the big choices as clearly as possible. Cross-cutting issues (such as environmental programs or programs for children) should be highlighted.

We envision roughly the following schedule for budget decisions:

Proposed Schedule

June	OMB works with agencies to identify major issues that should be considered and to be sure that good analysis of these issues will be available (this process has already started)
June	Discussions involving the President, the Cabinet, the NEC on the nature of the problem and various approaches to fitting Administration priorities within the 1995-98 budget resolution limits. General guidance issued to agencies for preparation of budget submissions.
Late June early July	Management and budget previews at which major agency heads present their plans and priorities to the OMB Director. These meetings are opportunities for interaction and discussion between agencies and OMB/White House/NEC staff.
August/September	OMB works with agencies to prepare major policy issues and options for consideration by the President.
September 1	Agencies required to submit complete budget requests for FY 1995 Budget.
September/October	A series of meetings are held, first with the NEC and then with the President, to discuss the major policy issues and options that the agencies and OMB have assembled. These discussions should be organized around major Administration themes and

cross-cutting issues. The President's decisions on these issues will be provided to the agencies as they are made, but not later than November 1.

November	OMB works with agencies to incorporate the President's decisions into a complete set of proposals for the FY 1995 budget.
Early December	The President is briefed on the complete set of proposals for the FY 1995 budget. Any final adjustments are made before Christmas.
December -- mid January	FY 1995 Budget is written.
February 7, 1994	FY 1995 Budget is transmitted to Congress.

Decision

_____ 1. Proceed as outlined above and follow the proposed schedule.

_____ 2. Other:

THE WHITE HOUSE
WASHINGTON

DATE: 6/14

NOTE FOR:

Tony Lake

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

Information



Action



Thank you.

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

cc:

~~SECRET~~

~~SECRET~~

THE PRESIDENT HAS SEEN 4280

6.14.93

THE WHITE HOUSE

WASHINGTON

June 12, 1993

93 JUN 12 P12:56

INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM: ANTHONY LAKE

SUBJECT: Middle East Peace Process Update

With the negotiations resuming in Washington next week, the

for Bureau - let me know if there's any

DECLASSIFIED

E.O. 13526

White House Guidelines, September 11, 2006

By DB NARA, Date 5/11/18

2018-0662-5

To Howard Pactor

THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS SEEN

6.14.93

Chong. Mazzoli

① like ~~Mazzoli~~ Guisberg

② INS → Pls know ASAP

③ AG Reno will be w/ her
Suzette Reed re. Chinn
has talked w/ Tony L.
Knapphen on his goal
to act - want to work
w/ us →



THE WHITE HOUSE
WASHINGTON

DATE: 06/14/93

TO: GEORGE STEPHANOPOULOS

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

The attached has been forwarded
to the President.



~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

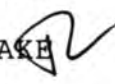
20408

THE WHITE HOUSE
WASHINGTON

June 11, 1993 JUN 11 P7:45

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: ANTHONY LAKE 
SUBJECT: The Future of ACDA

DECLASSIFIED

E.O. 13526

White House Guidelines, September 11, 2006

By DB NARA, Date 5/11/18
2048-6462-5

TELEPHONE CALLS

JOHN PODESTA

Date June 14

TIME	NAME	MESSAGE	TELEPHONE NO.
4:43	Will Itch	Stopped by Do you want NSC to draft a letter for your signature for the attached OR do you want NSC to respond on your Behalf	
		I want the	respond
		NSC to	on its behalf.

Military Production Network

A national alliance of organizations working to address
issues of nuclear weapons production and waste clean-up

June 3, 1993

93 JUN 4 AM: 52

Mr. John D. Podesta
Assistant to the President
The White House
1600 Pennsylvania Avenue, NW
Washington, D.C. 20500

Dear Mr. Podesta:

I enclose a series of recent editorials, articles and three congressional letters concerning nuclear testing and the President's forthcoming decision to either approve a limited number of tests or extend the current testing moratorium and negotiate a Comprehensive Test Ban or CTB. I hope that you will share these with the President.

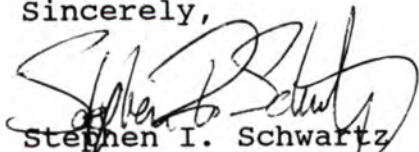
The Military Production Network is an alliance of 41 grassroots and national organizations representing communities in the shadows of U.S. nuclear weapons facilities and waste sites. **As you know, the president of one of our grassroots groups in Ohio, Ms. Lisa Crawford, was honored by the President during his inauguration as one of fifty "Faces of Hope."**

Now more than ever is the time for the United States to announce an end to nuclear testing. As the spate of editorials indicate, this decision makes sense politically, militarily, economically and environmentally. Yet, the President and his advisers waver.

June 10 marks the 30th anniversary of President Kennedy's speech calling for a CTB. That speech launched an effort which culminated less than two months later in the signing of the Partial Test Ban Treaty, outlawing nuclear explosions above ground, underwater and in outer space. As this important anniversary nears, **we look to President Clinton to fulfill the legacy left by his boyhood hero by taking the bold and visionary step of announcing an end to all U.S. nuclear testing and a schedule for negotiating a CTB.**

Thank you for your prompt attention to this urgent matter.

Sincerely,



Stephen I. Schwartz
Washington Representative

cc: Mr. David R. Gergen, Counselor to the President

chwz

4/14

✓① Nancy

② J Podesta -

Copies sent to
Mergen & Heenan