

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001a. letter	POTUS to John Fiorini (1 page)	07/29/1993	Personal Misfile
001b. letter	Fiorini to POTUS (1 page)	07/27/1993	Personal Misfile

COLLECTION:

Clinton Presidential Records
Staff Secretary
John Podesta (Chron Files)
OA/Box Number: 1039

FOLDER TITLE:

July 25-31, 1993 [2]

2018-0662-S

rs3061

RESTRICTION CODES

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

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

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

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

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

THE WHITE HOUSE
WASHINGTON

DATE: 07/27/93

NOTE FOR: SECRETARY MIKE ESPY

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 Washington Post Writers Group

YODE23VIB21

r k

^bc-yoder-column advIMMEDIATE<

^EDWIN YODER COLUMN<

^(For IMMEDIATE RELEASE--Normally Advance for Monday, July 26, 1993)<

^(For Yoder Clients Only)<

^By EDWIN M. YODER, JR.=

1150 15TH STREET, N. W., WASHINGTON, D. C. 20071-9200
TEL: (202) 334-6375 (800) 879-9794

THE PRESIDENT HAS SEEN

7-27-93 *PC*

Suber
cc M. G. G. G.

WASHINGTON--While most people in the upper Mississippi Valley mourn their inundated houses, farms and businesses, some commentary on the Great Flood of '93 has taken a strangely fatalistic twist--as if the Father of Waters had been made angry by the tinkering of engineers and pitched a mighty tantrum just to rebuff mortal hubris.

At the poetic level such reactions--reminiscent of ritual propitiation of gods and goddesses of the fields and streams--may be good for us. But they do nothing for flood control; and flood control has been an imperative of civilized life since the first city arose on a riverbank in Mesopotamia. Fatalism about rivers run amok seems at least as vapid as the superstition of our great-grandfathers' day that lightning rods were insults to divine will.

Engineers have battled American rivers for two centuries, often in the face of prohibitive odds. The flooding of the Miami River and its tributaries in March 1913 inundated Dayton, Ohio, and other cities, with a loss of more than 300 lives and property damage exceeding \$100 million (far more in 1993 dollars). The Miami Valley was pronounced ``doomed,`` but wasn't. Under Arthur E. Morgan, a great civil engineer who later headed the Tennessee Valley Authority, the Miami Conservancy District altered that fatalistic outlook and became a template for new techniques in flood control elsewhere.

The real cause of the Flood of '93 wasn't, in any case, anger on Olympus at the presumption of engineers. It was a freakish weather pattern that has saturated the Mississippi watershed--a force neither predictable nor preventable. The flood has renewed an old debate about the practicality--and social utility--of levees, a feature of flood containment, indeed a precondition of organized life, on the

(more)

Mississippi since the early 18th century when the city of New Orleans' first engineer, de la Tour, began building levees which soon stretched for scores of miles up and down the river on both banks.

Has the experience of 1993 spelled the end of levees after all these years? The case for second thoughts seems for the moment quite strong. In a flood, levees block the spillover of swollen rivers onto the natural flood plains. By narrowing river channels they intensify flood crests downstream. And when they eventually break in floods of the 1993 dimension as they have at scores of sites, they allow more damage and then slow the subsidence of waters. Surely a challenge to the ingenuity of engineers. But no case for fatalism.

From a social point of view, obviously, much of the misery is self-induced. We do build and till on flood plains. So long as that activity is not only not restrained but actually indemnified by all the rest of us when the gamble fails (as were Florida homebuilders last year, even after they had ignored hurricane-proofing regulations), it probably will continue.

In his famous essay "The Tragedy of the Commons" (Science, Dec. 13, 1968), the biologist Garrett Hardin explained why each of us may find it in his immediate self-interest to exploit the commons--the common weal--since the personal gain for a time outweighs the social penalty. The penalty shows up only much later.

Hardin was writing about what happens to the common weal if everyone breeds as if resources were limitless. But the principle also applies to unfettered encroachment on flood plains. The immediate gain is considerable for each encroacher, and the penalty goes unnoticed until several million acts of individual self-indulgence suddenly add up to a social disaster. As Hardin says, there is no technical solution for such problems in our overpopulated world; there is only a social one--collaboration and planning.

There may be hope. Amid the recent ruin and sorrow, an inspiring spectacle has been that of neighbors and friends, even strangers, rushing to work selflessly, tirelessly, desperately, to save someone's

(more)

house or business or church on some minute sector of the mighty river--mankind at his best, as the late Barbara Tuchman once said of the cooperative water-control enterprises of the thrifty Dutch.

X [The lesson seems obvious. If the same community spirit prevailed before the waters rise--if it took the form of greater respect for flood plains and more diligent planning in their use--we might escape "the tragedy of the commons." After the waters rise, it is too late.

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THE WHITE HOUSE
WASHINGTON

13 JUL 27 P3:47

July 27, 1993

MEMORANDUM FOR: JOHN PODESTA
FROM: *Ron Geisler*
RONALD GEISLER
SUBJECT: Use of the Title "The Honorable" for
Presidential Appointees

You must decide whether this Administration will use the title "The Honorable" when addressing correspondence to incumbent or former government officials appointed by the President to full-time or part-time positions.

It has been the practice at the White House for many years, certainly since the modern presidency (FDR), to extend this courtesy to **any** individual appointed by the President to **any** full-time or part-time position -- both those positions confirmed by the Senate and those appointed solely by the President.

The exception to this practice was during the Bush Administration when the Staff Secretary decided to accord this title in written correspondence only to those individuals who served in full-time capacities. It was felt those appointees serving on a part-time basis did not merit this appellation as opposed to those who served full-time in the public service.

[Handwritten mark] We recommend reverting to the old practice of conferring this courtesy on all presidential appointees. The number of individuals this affects is relatively few; it is certainly an honor to be appointed to any position by a president; it is less confusing (and fairer) not to attempt to differentiate among the different types of appointees. It should be noted that some part-time Member/Commissioners of commissions, boards, etc., make a significant contribution and that some receive no compensation for their work.

Attached are some examples of how the "Honorable" was used in the past. Please return.

Please advise.

I concur in the recommendation.

*CC. Bruce Lindsey
Marsha Scott
Tom Shean*

Jul 27 1993

INTRODUCTION TO FORMS OF ADDRESS

The examples of addresses and salutations given in this section are conventional forms in general use. Personal judgment is needed in adapting the forms shown here to the many persons and positions that could not be included in the lists.

Titles are flexible in their use; for example, the customary title "Honorable" may be replaced by another such as "General," "Dr." or "His Excellency."

All Presidential appointees and Federal and State elective officials are addressed as "Honorable." As a rule, county and city officials, with the exception of mayors, are not addressed as "Honorable."

A person once entitled to be addressed as "Judge," "General," "Honorable," "His Excellency," or a similar distinctive title, may retain the title throughout his lifetime. The personal preference of those no longer holding distinctive positions is the guide to use of titles.

In salutations to persons in positions that may be held by men or by women, only the title "Mr." is shown in the examples given here. When a woman occupies the position, the title "Madam" is substituted for "Mr." before such formal terms as "President," "Vice President," "Chairman," "Secretary," "Ambassador," and "Minister." The title "Miss" or "Mrs." is substituted for "Mr." when the name rather than a formal title follows.

The complimentary close is "Sincerely" unless otherwise indicated.

THE WHITE HOUSE
WASHINGTON

July 27, 1993

Mack:

I thought you would want to see this. Rubin talked to Rabb today and told him that we were pushing for two years forward, one year back on the R&E tax credit. Rabb seems satisfied with that.

Genentech is a former client so I've staid away from talking to them, but I keep hearing from friends in the computer industry who are equally upset with the rumors that the administration supports the Senate bill of one year forward, no years back (see attached **draft** press release). I know Roger is pushing the credit, but the word is not getting through.

Please share with the President if you think appropriate.


John Podesta

Mack -

I hesitate to raise this today given Bone's antics, but thought you should be aware.

John

Genentech, Inc.

July 27, 1993

The Honorable William J. Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

It is with a sense of sadness that I write to decline your invitation to attend a luncheon tomorrow at the White House. I cannot, in good conscience, lend my support to an economic package that in its current posture is so disastrous for Research and Development.

As you know, over the past 5 years Genentech has been the most R&D intensive firm in the United States (on a per employee basis and as a percentage of revenues). It is exactly this type of investment in our Nation's future competitiveness that needs to be encouraged and nurtured. Yet today, we stand on the precipice of a legislative Dunkirk. The Senate has passed a bill that would gut the R&D credit and now in conference the House has proposed receding to the Senate. It is my understanding that this was done with the Administration's blessing.

When you said in the campaign and in your budget that you favored a permanent R&D credit, I believed you. When I met with Vice President Gore and Treasury Secretary Bentsen within the last few weeks and they promised to fight for a permanent R&D credit, I believed them. Now I am left with a sense of profound disappointment. More importantly, because of the lack of continuity in the credit, as we look forward to future R&D activity, I will have substantially less money with which to hire scientists and will have little faith in the stability of the R&D credit.

From the very beginning of this budget process, I have been supportive of the overall goals of your plan even though some of its features call for additional corporate taxes. I have expressed concern about the deferral features in a constructive manner. Now it appears that the winners in this legislative battle will be those interests who adamantly opposed your plan.

The Honorable William J. Clinton
July 27, 1993
Page Two

I deeply regret having to decline your invitation, but it would not be responsible to our scientists and researchers to accept.

With regards,

A handwritten signature in cursive script, appearing to read "G. Kirk Raab".

G. Kirk Raab
President and Chief Executive Officer

GKR/saw

cc: Vice President Gore
Robert Rubin
Lloyd Bentsen
Ron Brown
Robert Reich

DRAFT DRAFT DRAFT DRAFT DRAFT DRAFT DRAFT DRAFT DRAFT

PRESS RELEASE

DRAFT

For Immediate Release
July __, 1993

Please Contact: Michele Norman
202-662-8407

R&D COMMUNITY PREPARED TO REJECT TAX PACKAGE

Washington, D.C. -- Today, leaders of America's research community announced that they are prepared to reject the pending tax package unless it reflects a serious commitment to increasing investment in U.S. research and development.

"America's high-technology community has been a strong supporter of President Clinton's policies because they demonstrate an understanding of the critical role American innovation plays in the economy," said Kenneth R. Kay, executive director of the Council on Research and Technology (CORETECH). "It would be outrageous if an Administration which has featured investment in R&D as a vital part of the plan to improve the economy would allow a final tax package that would cause the R&D credit to lapse for the first time in twelve years."

During last week's Senate and House negotiations on the tax package, the House offered to recede to the Senate position which would mean that the R&D tax credit would be extended for only twelve months and without retroactivity.

"Americans have been told again and again that the tax package will both reduce the deficit and spur investment," said Kay. "As it stands now, we don't see the spur."

-- more --

DRAFT DRAFT DRAFT DRAFT DRAFT DRAFT DRAFT DRAFT

Increased investment in U.S. R&D has been billed as a cornerstone of the President's plan to revitalize the American economy. Policies to bolster investments in R&D have been included in every major White House economic initiative. In addition, Administration representatives from the Council of Economic Advisors to the Department of Commerce have recently hailed permanent, stable investment policies as a hallmark of the Administration's plan to energize the American economy.

"Once again, policymakers seem ready to send the U.S. science community a clear message that the investment in research and development is not important," said Kay. "This runs completely counter to what the Administration has been saying since it took office."

"Despite its previous rhetorical support, the Administration appears prepared to allow the research community to be patted on the head and told to be happy with a token extension," Kay said. "Token extensions are not good enough. A lapse in the credit is not good enough. The Administration should take action now to ensure that strong investment incentives remain a priority in the final tax package."

CORETECH is a coalition of companies, universities, research institutes, and trade associations, that was established in 1987 to develop and advocate public policies that promote U.S. research and development and hence American competitiveness. Kenneth R. Kay, a partner in the law firm of Preston Gates Ellis & Rouvelas Meeds, is executive director.

###

Date: 7/27 Response needed by: 7/30

COS Office Contact: Roy Neel

93 JUL 27 P2: 29

	Action	FYI		Action	FYI
Rahm Emanuel			Howard Paster		
Mark Gearan			John Podesta	✓	
David Gergen			Jack Quinn		
Jack Gibbons			Carol Rasco		
Marcia Hale			Bob Rubin		
Alexis Herman			Eli Segal		
Nancy Hernreich			George Stephanopoulos	✓	
Tony Lake			Christine Varney		
Bruce Lindsey			David Watkins		
Katie McGinty			Maggie Williams		
Regina Montoya					
Roy Neel					
Bernie Nussbaum					
Leon Panetta					

Remarks:

~~John~~
What is your view of this?

Response:

Who is this guy. I'm not sure this is a bad idea, but does he have any connection to B.C. or any national reputation or is he just a walk on?

John 7.27.93

S H E P H E R D
C O L L E G E

Office of the President • Shepherdstown, West Virginia 25443 • 304.876.2511

June 7, 1993

VIA FEDERAL EXPRESS

Mr. Mark Gearan
Deputy Chief of Staff
The White House
1600 Pennsylvania Avenue
Washington, DC 20004

Dear Mr. Gearan:

→ I appreciated the opportunity to meet with you, especially considering the press of business during this time in the President's term. I had waited several weeks or so to respond to you since I requested from the Reagan Library a copy of the original agreement with the historian Edmund Morris. They have not catalogued that agreement and have decided now to regard it as a personal document instead. As I indicated to you, I wish to be considered and named as the Official Historian of the Clinton Administration. In order to accomplish those responsibilities, I am asking the following: 1) an opportunity to speak with senior members of the Administration at their convenience on the basic policy issues that come before them during the term; 2) interviews on what major considerations form their recommendations and judgments and what decision-making processes were used in general; 3) reasonable access to them at their convenience and to unclassified documents in the areas of domestic and foreign policy. I am not requesting access on issues of sensitive intelligence and national security matters except as Administration officials would wish to share them in the larger context of decisions being made, although I am willing to submit to any security clearance necessary. I am not interested in making this volume a vehicle for a biography except as is necessary to provide character sketches so that the reader understands the background and the interests of these particular people. I also ask for access to the President and the First Lady as well on a regular basis where available and pertinent. In addition, it would be helpful, but not vital if I could have some small space in a nearby building to the White House in which to be able to do some work between appointments. I am not interested in any "perks."

In terms of attribution, there would be three varieties: one with the direct attribution in quotes; one with attribution with a note that it was from a confidential source; and lastly the use of information without citing any source at all. The confidentiality of all such interviews would be guaranteed and closed for a reasonable time limit, or twenty-five

*ADD: Did you meet w/ him
at Mark's request;
back to Roy now?*

Mr. Mark Gearan
Page 2
June 7, 1993

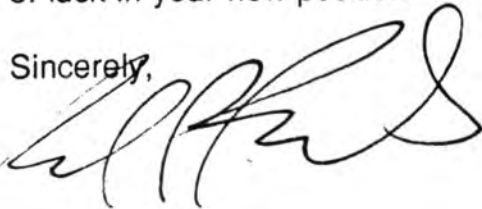
years, whichever is decided upon. I would present to the Chief-of-Staff or his deputy a monthly request of meetings for his/her prior approval. I would consent to a prior review of the text of the history of the Administration by the President or his designee before submission to a publisher and would donate 12.5% of the proceeds from the book royalties to the Clinton Library, or any other agency so designated.

I appreciated the opportunity to speak with you on this matter. As I indicated, I would also be willing to participate in some of the work of the White House. I do believe on some of the issues that have been raised already, it would useful to provide an indepth historical perspective, one I have gained after twenty years of having prepared the history of the American presidency from Washington to Reagan which is now being considered for publication.

I mentioned to you several instances where I thought the President would benefit most obviously by comparing, for example, his deliberate style on the difficult issue of the Balkans with that of President Eisenhower in dealing with Indochina. Everyone now admits that Eisenhower's style and pace were in the best interests of the United States. There are all sorts of other types of historical perspectives which might be useful including what I mentioned to you about the normal waxes and wanes of presidential popularity. My own sense is that after three years one will find that Mr. Clinton has stood the test of time well, and that you will get a very different sort of public regard than the one the Administration is experiencing now.

I enjoyed the opportunity to talk with you about these matters and would appreciate continuing these discussions. My thanks for your time and consideration, and the best of luck in your new position.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael P. Riccards", written in a cursive style.

Michael P. Riccards
President

THE WHITE HOUSE
WASHINGTON

~~CONFIDENTIAL~~

03 JUL 21 AM 11:22

July 20, 1993

MEMORANDUM FOR JOHN PODESTA, LEON PANETTA AND BARBARA CHOW

FROM: Mike Lux

SUBJECT: Flex Acres Proposal in Reconciliation

It appears that we are hurting ourselves badly among key farm groups and farm state senators in the midwest (Dorgan, Conrad, Feingold, Daschle, Kerrey, Exon, Harkin) by pushing for the House language on flex acres. The Senate language is far more acceptable to these senators, some midwest House members, and Democratic farm groups.

I fear real damage to our chances of passing reconciliation if we actively push the House language; I also fear real long term political damage with the groups - while they don't have much clout nationwide, they do have real clout in key political states in the upper midwest.

cc: Ricki Seidman
Steve Hilton

Mike
Barry TOW - Omb
tells me this is fixed.
Let me know if you
hear otherwise
John

Southern
California's
Newspaper

CIRCULATION
1,164,388 DAILY / 1,531,527 SUNDAY

WASHINGTON EDITION

WW M. GEARAN

Los Angeles Times

TIMES

Times

Monday
July 26
1993

DAILY 75¢
AN EDITION OF THE LOS ANGELES TIMES

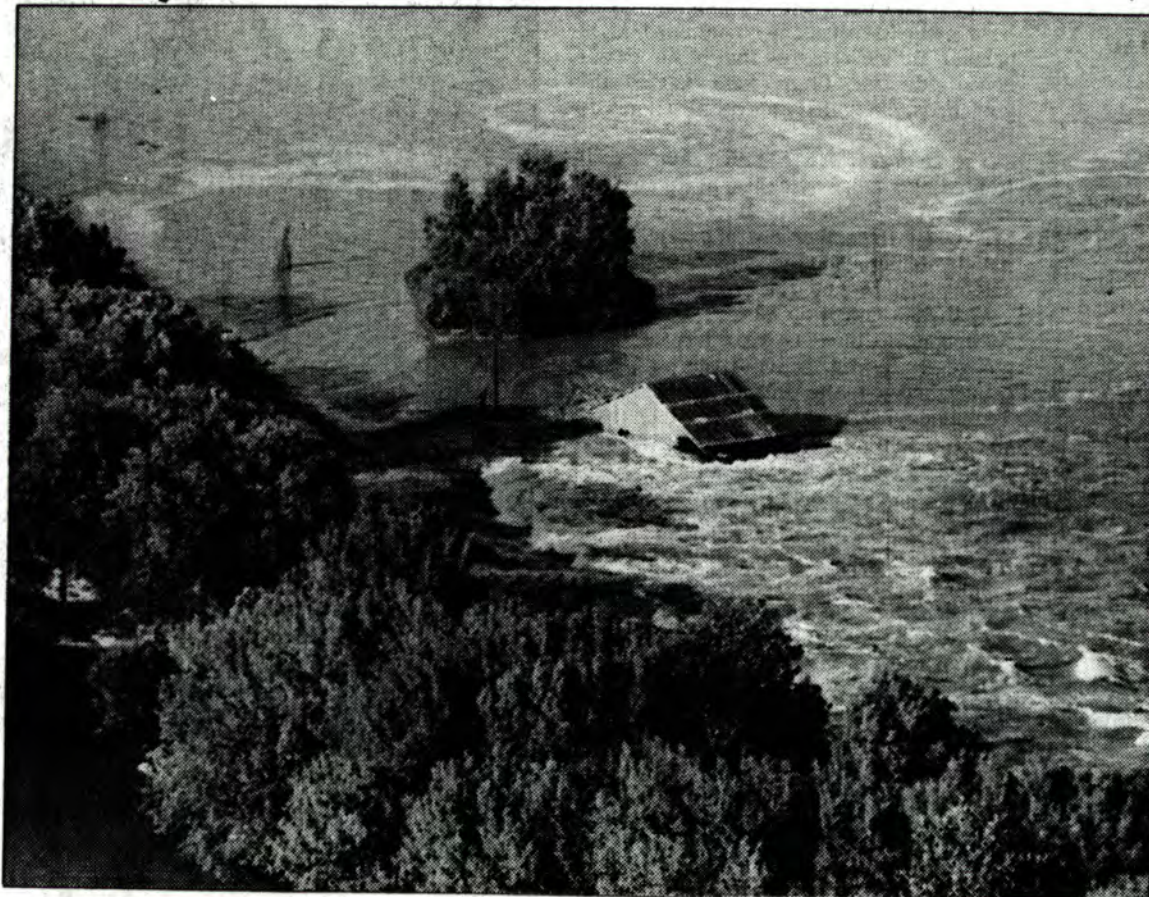
COLUMN ONE

Waiting to Die at the AIDS Hotel

■ In this Bronx fleabag, the city houses the sick who have nowhere else to go. For many here, their hellish limbo is only broken up by the monthly disability check—and the drugs it can buy.

By BARRY BEARAK
TIMES STAFF WRITER

NEW YORK—Come the first of every month, most people in the "AIDS Hotel" collect a U.S. government check for \$520 and then get zooted to the limit on a hard run of crack. A day or two later, they are flat broke, returned to their burlap and



Key Levee Bursts; Workers Rescued

■ **Disaster:** Illinois crops, highway flood as Mississippi washes away weeks of effort at second-largest river berm. Torrent traps five, as some vie with snakes for treetops.

By STEPHEN BRAUN and DEAN E. MURPHY, TIMES STAFF WRITERS

HULL, Ill.—Raging floodwater tore through the bottom of the longest levee along the northern Mississippi River on Sunday, trapping five people, two of them in treetops filled with snakes. The river closed six miles of the Central Illinois Expressway and swamped 45,000 acres of prime farmland.

"We have a breach! We have a breach!" a levee inspector shouted into his two-way radio as the Sny levee, the second-largest river berm in the nation, burst at 11:23 a.m. Nine levee workers fled in trucks and on foot, but three were trapped on bulldozers and two climbed into trees, along with dozens of snakes.

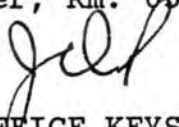
They thought the snakes were nonpoisonous, said Harold Colston, in charge of levee communications. But he said the workers did not

Israel Pounds Lebanon Bases; Arabs Retaliate

By MICHAEL PARKS

THE WHITE HOUSE
WASHINGTON

July 26, 1993

MEMORANDUM FOR RUSS MILLER
Control Center, Rm. 058
FROM: JOHN PODESTA 
SUBJECT: ADDITIONAL OFFICE KEYS

I would like to request the following:

Two (2) extra keys to the main door of mine and Marcia Hale's suite of offices -- one for each of my deputies, Todd Stern and Paul Richard.

One (1) additional key for Paul Richard's office (small side office).

Thank you.

THE WHITE HOUSE
WASHINGTON

July 26, 1993 3 11 26 P1:23

TO: JOHN PODESTA
FROM: DAN BURKHARDT
THROUGH: MARSHA SCOTT
SUBJECT: HONORARY CHAIR AND EVENT
ATTENDANCE REQUEST

Please review the attached requests,
make your recommendations, and return
to me in rm. 94 EOB by Monday,
August 2, 1993.

Thank you.

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: July 23, 1993

Date of Request: March 5, 1993

Request for: POTUS/FLOTUS

Type of Request: Honorary Chairs/Attend Event

Requestor Name: Mr. John Y. Brown

Organization: America's Awards
66 East Main Street
Pawling, NY 12564

Contact Telephone: 914/855-1166

Event Date: September 20, 1993

Notes: This is the second distribution of this request. The organizers ask that the President and First Lady attend an awards luncheon in the Senate Caucus Room on September 20, 1993, or host a White House reception for the honorees. Secretary Bentsen was National Co-Chair last year and recommends that the President and First Lady participate if they have the time.

Recommendations:

MW _____

RN _____

JP _____

MH _____

*getting a
little
late for
this*

*Don't see it
as a big deal
JLP*

*why don't
we say no
for this year.*

7-26-93

To: Rahm
From: Linda
Re: America's Awards

Bentsen said this was a very good event. Well done, moving, unique. They think if the President and First Lady have time for it, they should do it.

Caroleen
see 2 memos.

June 22, 1993

MEMORANDUM FOR RAHM EMANUEL

FROM: PAUL TOBACK

SUBJECT: REQUEST FOR THE PRESIDENT AND/OR FIRST LADY TO SERVE AS HONORARY CHAIRMAN OF AMERICA'S AWARDS

America's Awards was founded four years ago to honor average Americans' exceptional achievements to society. They like to think of themselves as the Nobel Prize for average citizens.

They are requesting either the President or Mrs. Clinton as Honorary Chairs. In 1990, the first year, Dr. Norman Peale was the Honorary Chair. In 1991, President Bush was the Honorary Chair. In 1992, Barbara Bush was the Honorary Chair.

This organization has a three former Presidents as Honorary trustees, Reagan, Ford and Nixon. The Executive Director, Ric Cox says that Carter has not yet agreed to be Honorary Trustee because these awards may conflict with his own humanitarian awards.

The Executive Director says the group is nonpartisan, with LLOYD Bentson and John Warner serving as last year's national co-chairmen. The 12 member Selection Committee which chooses the recipients is made up of celebrities from business, journalism, sports etc. Ross Perot is on the Selection Committee representing Business and Senator Bill Bradley is on as the government representative. Also, they have just this year added Marian Wright-Edelman to the Selection Committee.

In addition, a letter asking the President to serve as Honorary Chairman came from Former Kentucky Governor John Brown.

RECOMMENDATION: It seems worthwhile to do. It may be worth one quick call from you to Bentson to see what he thinks since he was last year's national chairman.

Linda:

Call Phil D. for answer

+ then send on to
Caroleen in Chief of
Staff / Deputy CoS's
Office.

Thanks.

Rahm

AMERICA'S AWARDS.

HONORING UNSUNG HEROES WHO PERSONIFY THE AMERICAN CHARACTER & SPIRIT

Honorary Trustees

The Hon. GERALD R. FORD
The Hon. RICHARD M. NIXON
The Hon. RONALD REAGAN
NORMAN VINCENT PEALE

National Ambassador

PHYLLIS GEORGE

AMERICA'S AWARDS

A Program of the
POSITIVE THINKING
FOUNDATION

Chairman

ELIZABETH PEALE ALLEN

Executive Director

RIC COX

Executive Producer

SUSAN L. ABRAHAMSON

Blue-Ribbon

Selection Committee

Advertising

JOCK ELLIOTT

Business

ROSS PEROT

Culture

MICHAEL HISNER

Education

JOHN SILBER

Entertainment

REBA MCENTIRE

Family

MARIAN WRIGHT EDELMAN

Government

BILL BRADLEY

Journalism

PAUL HARVEY

Philanthropy

EUGENE LANG

Religion

THEODORE HESBURGH

Sports

KRISTI YAMAGUCHI

Voluntarism

BRIAN O'CONNELL

Story Judges

JACK ANDERSON

MAYA ANGELOU

BILL BERKOWITZ

LOUIS D. BOCCARDI

TOM BODETT

JOHN MACK CARTER

ROBERT FULGHUM

BILL GEIST

KENNETH O. GILMORE

ARTHUR GORDON

A.E. HOTCHNER

LARRY KING

PHILIP KUNHARDT

SHELDON LEONARD

ART LINKLETTER

MICHAEL MEDVED

COXIE ROBERTS

WILLARD SCOTT

ERICH SEGAL

RICHARD STOLLEY

HELEN THOMAS

SCOTT TUROW

VAN VARNER

June 22, 1993

Ms. Caroleen Nord
Office of the Deputy Chief of Staff
The White House
Washington, D. C. 20500

Dear Caroleen,

As we await a reply to Gov. John Y. Brown's request that President and Mrs. Clinton serve as Honorary Chairs of the 1993 America's Awards, I would like to inform you of one change in our plans.

Instead of holding our awards ceremony at the Kennedy Center on Monday night, September 20, we will present them at a luncheon in the Senate Caucus Room that day.

We hope that the President and/or the First Lady will be able to attend that luncheon.

If they cannot, perhaps they would want to host a White House reception for the six honorees and their families.

We hope to hear from you soon.

Sincerely yours,


Ric Cox
Executive Director

RC:az

cc: Gov. John Y. Brown

bcc: NVP

2nd Dist'n

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: May 12, 1993

Date of Request: 3/05/1993

Request for: ;BC;HRC

Type of Request: serve as Honorary Chairs and attend

Requestor Name: Mr. John Y. Brown

Title:

Organization: America's Awards
66 East Main Street
Pawling, NY 12564

Contact Tel. #: 914/855-1166

Event Date: 9/20/1993

Event Description:

Notes: Dr. Norman Vincent Peale is also involved in this program. POTUS/FLOTUS would participate in awards ceremony honoring unsung heroes personifying the American character and spirit.

Recommendations:

MW

MG

JP

MH

ask
Rahm

Rahm - Please
review and
respond ASAP.
These are the
guests for POTUS/
FLOTUS to be
honorary chairs.
Thanks,
Carollee

AMERICA'S AWARDS®

HONORING UNSUNG HEROES WHO PERSONIFY THE AMERICAN CHARACTER & SPIRIT

March 5, 1993

Honorary Trustees

The Hon. GERALD R. FORD
The Hon. RICHARD M. NIXON
NORMAN VINCENT PEALE

National Ambassador

PHYLLIS GEORGE

AMERICA'S AWARDS

A Program of the
POSITIVE THINKING
FOUNDATION

Chairman

ELIZABETH PEALE ALLEN

Executive Director

RIC COX

Executive Producer

SUSAN L. ABRAHAMSON

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Religion

THEODORE HESBURGH

Sports

CHRIS EVERT

Voluntarism

BRIAN O'CONNELL

Story Judges

JACK ANDERSON
BILL BERKOWITZ
TOM BODETT
JOHN MACK CARTER
ROBERT FULGHUM
ARTHUR GORDON
A.E. HOTCHNER
LARRY KING
SHELDON LEONARD
ART LINKLETTER
ROBERT MANLEY
MICHAEL MEDVED
JAMES MICHENER
PEGGY NOONAN
WILLIAM RASPBERRY
WILLARD SCOTT
ERICH SEGAL
RICHARD STOLLEY
SCOTT TUROW
VAN VARNER

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

Dear President Clinton:

Phyllis and I are involved with our good friend, Dr. Norman, Vincent Peale, in a program called America's Awards, which honors unsung heroes who personify the American character and spirit.

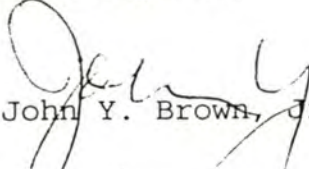
We would like to invite you and Hillary to serve as honorary chairmen of the 1993 awards, to greet the six winners at the White House on or about September 20, and to attend and participate in the awards ceremony at the Kennedy Center on the night of September 20. Former President and Mrs. Bush served as honorary chairmen the last two years.

I have promised Dr. Peale that I will find a corporate sponsor for the Kennedy Center event--and, if possible, put the show on national television. It's an incredibly inspirational show that, I think, matches the Kennedy Honors Night Production. The dream is to create an "Oscar Night for Ordinary People" during which we will present what has come to be known as "The Noble Prize for Goodness."

Our concept is much the same one you used for the inauguration celebration--what the New York Times called "a televised fanfare for the common man played by a mob of celebrities."

We don't expect you and Hillary to make a time commitment at this early date. But, if you agree now to serve as Honorary Chairmen, you will add great prestige to the event.

Warm regards,


John Y. Brown, Jr.

AMERICA'S AWARDS®

HONORING UNSUNG HEROES WHO PERSONIFY THE AMERICAN CHARACTER & SPIRIT

Honorary Trustees

The Hon. GERALD R. FORD
The Hon. RICHARD M. NIXON
The Hon. RONALD REAGAN
NORMAN VINCENT PEALE

National Ambassador

PHYLLIS GEORGE

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BILL GEIST
KENNETH O. GILMORE
ARTHUR GORDON
A.E. HOTCHNER
LARRY KING
PHILIP KUNHARDT
SHELDON LEONARD
ART LINKLETTER
MICHAEL MEDVED
COKIE ROBERTS
WILLARD SCOTT
ERICH SEGAL
RICHARD STOLLEY
HELEN THOMAS
SCOTT TUROW
VAN VARNER

April 30, 1993

Ms. Caroleen Nord
Office of the Deputy Chief of Staff
The White House
Washington, D. C. 20500

Dear Caroleen,

Thank you for offering to get us a response by the end of this week to Gov. John Y. Brown's request that the President and First Lady serve as Honorary National Chairs of the 1993 America's Awards.

I don't know if Gov. Brown mentioned in his letter that it is our hope that the sitting President and First Lady will serve in this capacity every year. That, and having the former Presidents serve as Honorary Trustees (for life), is the best way we have of communicating to the public that America's Awards belong to America.

President and Mrs. Bush served as our Honorary National Chairmen in 1991. Mrs. Bush served as Honorary Chairman in 1992.

We hope that the Clintons will serve throughout their years in the White House. But if they wish to commit themselves only a year at a time, we will understand.

As Honorary National Chairs, they will be listed on our stationery, and in our news releases. They will be invited to provide a letter and color photograph that will be published in the Commemorative Program that is distributed at the awards ceremony and to thousands of people, including opinion leaders, throughout the country.

In what we understand will be a separate decision made by the White House this summer, the President and First Lady will be invited to attend the awards ceremony at the Kennedy Center at

Ms. Caroleen Nord

April 30, 1993

8:30 p.m. Monday, September 20, and, if they wish, to host a reception for the six honorees and their families.

Enclosed are Commemorative Programs from 1992 and 1991, a press kit, and summary biographies of the 1992 honorees.

The six 1993 honorees won't be selected until June. The Clintons have met at least two of our former honorees--Sweet Alice Harris of Watts, and Beverly Chapman, who received a standing ovation at the Economic Summit in Little Rock.

Our honorees are much like the people the President refers to as "Faces of Hope," and we are confident that the White House will benefit by helping us honor the nation's unsung heroes in this way.

Sincerely,



Ric Cox
Executive Director

RC:az
Encs.

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: July 26, 1993

Date of Request: March 5, 1993
Request for: POTUS/FLOTUS
Type of Request: Honorary Chairs
Requestor Name: Barbara and Marvin Davis
Title: Chairpersons
Organization: Children's Diabetes Foundation
700 Delaware Street
Denver, CO 80204
Contact Telephone: 303/623-2873
Event Date: October, 1994

Notes: This is the second distribution of this request. The Davises ask that the President and First Lady serve as honorary chairs and, if possible, attend the Carousel of Hope fundraiser in Los Angeles in October, 1994. Gearan and Podesta already have said "yes." Williams asked for Rahm's input. That is attached.

Recommendations:

MW _____

RN _____

JP _____

MH _____

*STILL
OK WITH ME
7.26.93*

June 22, 1993

Carson:
Rahm is
in favor of
this.

MEMORANDUM FOR RAHM EMANUEL

FROM: PAUL TOBACK

**SUBJECT: REQUEST FOR PRESIDENT OR MRS. CLINTON TO SERVE AS
HONORARY CHAIRMAN FOR THE CHILDREN'S DIABETES FOUNDATION**

This event is held every other year in Los Angeles to raise money for the Juvenile Diabetes Foundation. The event raised over \$5.0 million last time it was held and they have a goal of \$5.0 million for the 1994 event. According to the Foundation itself, this is the largest private fundraiser in the country.

They have had, over the last 14 years several past Presidents involved as Honorary Chairmen. In 1979 through 1985 former President Ford was Honorary Chair. In 1990 and 1992, former Presidents Reagan and Ford were Honorary Chairs and First Lady Barbara Bush was the Honorary Patron. They have not had a sitting President serve as Honorary Chair.

RECOMMENDATION: I checked with Jill Hargis, assistant to the Chief of Staff at HHS on the reputation of the organization. She in turn checked with NIH, and they recommend that the President serve as Honorary Chair. They say this is a very good organization. In addition, it fits nicely with our themes of children and health care. The only major downside appears to be the large number of Hollywood types involved. Of course, the President could be Honorary Chair and not attend, or simply attend and not worry about it.

CHILDREN'S DIABETES FOUNDATION AT DENVER

**777 Grant Street
Denver, CO 80203**

FACSIMILE TRANSMITTAL SHEET

DATE:

TO: Mr. Paul Toback, The White House
Office of Chiefs of Staff

FAX: 202-395-7279

FROM: Chrissy Lerner
Children's Diabetes Foundation at Denver

FAX#: (303) 863-1122

INCLUDING COVER SHEET, THERE ARE 5 PAGES BEING FAXED TO YOU. IF YOU HAVE ANY PROBLEMS WITH THIS TRANSMITTAL, PLEASE CONTACT Heather or Nicky AT (303) 863-1200 or (800) 695-2873.

Page Two

Special Participants to date:

Participating in a special number with the children will be Quincy Jones, Sidney Poitier, Sylvester Stallone, Sean Connery, Dan Aykroyd, Tony Danza, Luke Perry, Kurt Russell, Smokey Robinson, Henry Winkler, Arsenio Hall ... and many more.

The Silent Auction:

A two-hour silent auction, chaired by Ms. Nancy Davis, will be presented at The Carousel of Hope including a spectacular array of items spanning a spectrum from magnificent jewelry and designer fashions to cruises, art and collectibles, vacations, etc.

CORPORATE SUPPORT:

We have the support of literally the entire community, including The Walt Disney Company, 20th Century-Fox, MGM, Paramount Pictures, Warner Bros., MCA, New Line Cinema, Sony, ICM, CAA, William Morris Agency, David Geffen, The Gordy Company, NBC, CBS and ABC representing the entertainment industry. Among some of the tables reserved by corporations are American Express, ITT Corporation, The Los Angeles Lakers, The Los Angeles Rams, Toyota, The Hearst Corporation, City National Bank, Credit Lyonnais - Paris, Occidental Petroleum, Mirage Resorts and Bear, Stearns.

JOURNAL ADVERTISERS:

Our Journal advertisers are the best of the best. Just a sampling of a few are Escada, Armani, Chanel, Revlon, Guess?, Donna Karan, Bill Blass, Valentino, Polo/Ralph Lauren, Tiffany, Van Cleef & Arpels, Winston, The New York Giants, Louis Vuitton, Christie's, The Franklin Mint, Ford Motor Company, Chrysler Corporation, Seagram, Sotheby's, Bugle Boy Industries, Sony, Cleveland Browns, Judith Leiber, Toyota, Loews Hotels and many, many more.

SOME OF THE PROMINENT GUESTS ATTENDING:

Senator Henry Waxman (Ca), Mrs. Jehan Sadat, Marcus Allen, Dan Aykroyd and Donna Dixon, Jacqueline Bisset, Charles Bronson, Jackie Collins, Jimmy Connors, Gail Deavers, Faye Dunaway, Eva Gabor, Richard Gere and Cindy Crawford, Wayne Gretzky, George Hamilton, Hammer, Goldie Hawn and Kurt Russell, Charlton Heston, Billy Idol, Nastassia Kinski, Florence Griffith Joyner, Gene Kelly, Steve Lawrence and Eydie Gorme, Sugar Ray Leonard, Howie Long, Rob Lowe, Barry Manilow, Roddy McDowell, Bette Midler, Donna Mills, Deborah Norville, Luke Perry, Suzanne Pleshette, Ahmad and Phylcia Rashad, Don Rickles, Smokey Robinson, Carole Bayer Sager, Claudia Schiffer, Jane Seymour, Brooke Shields, Jimmy Stewart, Sharon Stone, Donald Sutherland, Alan Thicke, Cheryl Tiegs, John Travolta and Kelly Preston, Jill Eikenberry and Michael Tucker and Joan Van Ark.

CHILDREN'S DIABETES FOUNDATION AT DENVER

**777 Grant Street
Denver, CO 80203**

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HAVE ANY PROBLEMS WITH THIS TRANSMITTAL, PLEASE CONTACT Heather or
Nicky AT (303) 863-1200 or (800) 695-2873.**

Date: June 22, 1993

From: Chrissy Lerner, Foundation Coordinator
For Mrs. Marvin Davis

To: Mr. Paul Toback
The White House, Office of Chiefs of Staff
VIA FAX 202-395-7279

Subject: THE CAROUSEL OF HOPE

In response to your inquiry this date, below is listed the Honorary Chairpersons of The Carousel Ball (1979-1985) which became The Carousel of Hope when begun in California in 1990.

THIS IS A UNITED NIGHT TO FIGHT DIABETES...a night which includes the support of people from all walks of life and all political parties joining together for this cause. I've also enclosed a fact sheet from the 1992 Carousel of Hope to show you the scope of support from the corporate community and celebrated guests. Please feel free to call me if you have any questions.

PAST HONORARY CHAIRMEN

Second Annual Carousel Ball (6/9/79)
Former President Gerald R. Ford

Third through Eighth Annual Carousel Balls (1980 through 1985)
Former President Gerald R. Ford and Mrs. Ford
The Honorable Richard D. Lamm and Mrs. Lamm
(was Governor of Colorado in those years)

The Carousel of Hope/ Los Angeles/ 10/26/90
Honorary Chairmen:
Honorable Ronald Reagan and Mrs. Reagan
Honorable Gerald R. Ford and Mrs. Ford
(a letter was included in the Journal from
Mrs. George Bush, First Lady of the United States)

The Carousel of Hope/ Los Angeles/ 10/2/92
Honorary Patron
Mrs. George Bush, First Lady of the United States
Honorary Chairmen:
Honorable Ronald Reagan and Mrs. Reagan
Honorable Gerald R. Ford and Mrs. Ford

Also enclosed is a list of the Boards of The Children's Foundation, presenting organization of The Carousel of Hope. **The Honorable Federico Pena** was very supportive of our work when he was Mayor of The City of Denver and continues on our Advisory Board, as our **The Honorable Patricia Schroeder** (Congresswoman), **The Honorable Roy Romer** (Governor of Colorado).

Children's Diabetes Foundation at Denver

The Boards

Executive Board

Mrs. Marvin Davis
Chairperson

Richard S. Abrams, M.D.

Mr. Gerald Altman

Jules Amer, M.D.

Ms. Nancy Davis

Steven Farber, Esq.

The Honorable Sherman G. Finsilver
Chief Judge, U.S. District Court
District of Colorado

Mr. Gerald S. Gray

Charles Halgrimson, M.D.
Associate Dean, School of Medicine
University of Colorado
Health Sciences Center

Mrs. A. Barry Hirschfeld

M. Douglas Jones, Jr., M.D.

Mr. Walter S. Rosenberry, III
The Children's Hospital, Denver

Anthony F. Zarlengo, Esq.

Ex-Officio Member:

George S. Eisenbarth, M.D., Ph.D.
Executive Director,
Barbara Davis Center for
Childhood Diabetes

Scientific Advisory Board:

Jules Amer, M.D.
Clinical Professor of Pediatrics, University
of Colorado Health Sciences Center and
Partner, Children's Medical Center,
Denver

Allan L. Drash, M.D.
Professor of Pediatrics and Director of
Division of Pediatric Endocrinology,
Diabetes Mellitus and Metabolism,
Children's Hospital of Pittsburgh

Melvin M. Grumbach, M.D.
Edward B. Shaw Professor of Pediatrics
and Chairman Emeritus, Department of
Pediatrics, University of California, San
Francisco

Richard Hamman, M.D., Dr.P.H.
Associate Professor and Chairman of
Preventative Medicine and Biometrics,
University of Colorado Health Sciences
Center

Stuart Handwerker, M.D.
Professor of Pediatrics, Duke University

M. Douglas Jones, Jr., M.D.
Chairman, Department of Pediatrics
University of Colorado Health Sciences
Center and Pediatrician-in-Chief,
The Children's Hospital

Lewis Pizer, Ph.D.
Professor and Chairman, Department of
Microbiology and Immunology, School of
Medicine, University of Colorado Health
Sciences Center

Jonathan Sprent, M.D., Ph.D.
Professor, University of California, San
Diego and Member, Research Institute of
Scripps Clinic, La Jolla

Advisory Board:

Mrs. Alan Angelich

The Honorable William L. Armstrong

Mrs. John Ayisworth

Mr. Michael Bolton

Mrs. Franklin L. Burns

Mr. Michael Caine

Mr. Lodwick M. Cook

Mrs. Thomas R. D'Amico

Miss Amy Davis

Miss Donna Douglas

Ms. Natalia Cole Fischer

President and Mrs. Gerald R. Ford

Mr. Merv Griffin

Mr. Bob Hope

Ms. Whitney Houston

Mr. Michael Jackson

Mr. John H. Johnson

Mrs. John H. Johnson

Mrs. Michael Jaltak

Dr. Henry A. Kissinger

Mrs. Robert Kinsely

Mr. Howard W. Koch

The Honorable Richard D. Lamm

Mrs. Richard D. Lamm

Mr. Paul Marciano

Mr. Walter Matthau

Miss Dina Merrill

Mr. Myron M. Miller

Mr. Roger Moore

Mr. Ronald O. Perleman

The Honorable Federico Peña

Mr. Sidney Potter

President and Mrs. Ronald Reagan

Mr. Lionel Richie

Mrs. Sheldon Roger

Mr. Kenny Rogers

The Honorable Roy Romer
Governor, State of Colorado

Mrs. Roy Romer

Miss Diana Ross

Mr. Lewis Rudin

Mr. George Schlatter

The Honorable Patricia Schroeder
U.S. House of Representatives,
First District, Colorado

Mrs. Robert J. Stewart

Mrs. Robert Tucker

Mrs. Thomas N. Tucker

Miss Joan Van Ark

The Honorable Wellington Z. Webb
Mayor, City of Denver

Mr. Frank Wells

The Honorable Timothy E. Wirth

Mr. Stevie Wonder

Published by Children's Diabetes Foundation at Denver 1993

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p. 7, p. 11 photo);

Francoise Kirkland (p. 11);

Phil Stattenroth (p. 5);

Sara Frances (p. 9);

Glenn Janssen (p. 2 middle, p. 13, 15, 17, 19, 21-23);

Page Two

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The CAROUSEL of HOPE

A benefit for the
Children's
Diabetes
Foundation



Mr. and Mrs. Marvin Davis
Gauthier

Honorary Patron
Mrs. George Bush

Honorary Chairmen:

President Ronald Reagan
and Mrs. Reagan
President Gerald R. Ford
and Mrs. Ford

Co-Chairmen:

Ms. Nancy Davis
Miss Dana Davis
Ms. Betsy Bloomingdale
Mr. and Mrs. Armand S. Deutsch
Wendy and Leonard Goldberg
Mr. and Mrs. Franklin Johnson
Mr. and Mrs. Earle M. Jorgensen
Mr. and Mrs. Jerry Perenchio
Mr. and Mrs. Sidney Pottier
Ms. Carole Bayer Sager
Mrs. William French Smith
Dr. and Mrs. Norman F. Sprague, Jr.
Mr. and Mrs. Thomas W. Trainer
Mr. and Mrs. Charles Z. Wick
Ambassador William A. Wilson
and Mrs. Wilson

Masters of Ceremonies:

Mr. Chevy Chase
Mr. Merv Griffin
Mr. Roger Moore

Producer:

Mr. George Schlatter

Auction and Journal Chairman:

Ms. Nancy Davis

Entertainment Chairmen:

Mr. Dan Aykroyd
and Ms. Donna Dixon
Mr. and Mrs. Michael Caine
Mr. and Mrs. Chevy Chase
Ms. Jackie Collins
Sean and Michelle Connolly
Mr. Billy Connolly
and Ms. Pamela Stephenson
Mr. and Mrs. Tony Danza
Mr. and Mrs. John Davis
Miss Eva Gabor
Suzanne Pleshette Gallagher
Wendy and Leonard Goldberg
Mr. Merv Griffin
Louis and Quique Jourdan
Mr. Paul Le Mat
and Ms. Suzanne de Passe
Roger and Luisa Moore
Mr. and Mrs. Jerry Perenchio
Mr. and Mrs. Sidney Pottier
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Ms. Rose Tarrow
Mr. and Mrs. Anthony Thomopoulos
Mr. Robert Wagner
and Ms. Jill St. John
Mr. and Mrs. Richard D. Zanuck

Music Chairman:

Mr. Quincy Jones

Sports Chairman:

Mr. Gregg Davis

The New York Committee

Chairman:

Mr. and Mrs. Martin J. Raynes

FACT SHEET

September 25, 1992

WHAT:

THE CAROUSEL OF HOPE

A benefit for the Children's Diabetes Foundation, with proceeds also to the American Diabetes Association and Juvenile Diabetes Foundation International

WHEN:

Friday, October 2, 1992

WHERE:

The Beverly Hilton Hotel, Beverly Hills, California

WHY:

The goal is to raise \$5 million in one evening to fight diabetes. The Children's Diabetes Foundation supports programs of health care and research at the Barbara Davis Center for Childhood Diabetes where 1,500 children from all over the U.S. and several foreign countries receive specialized care. The Center's research programs are internationally acclaimed.

HOW:

The entire evening is underwritten by GUESS?, Inc., Revlon, Warnaco, ARCO and Merv Griffin. Funds will be raised through reservations, Silent Auction and Journal. Tables (by invitation only and sold out) are \$50,000, \$25,000, \$15,000 and \$10,000. We have the support of literally the entire community, including the studios, networks and talent agencies representing the entertainment industry and corporations, celebrities and prominent friends from all over the world.

WHO:

Honorary Patron: Mrs. George Bush

Chairmen: Mr. and Mrs. Marvin Davis

Honorary Chairmen: President and Mrs. Ronald Reagan
President and Mrs. Gerald R. Ford

Featured Entertainer: Natalie Cole (winner of seven Grammy Awards)

Ms. Cole will accept The High Hopes Award presented to her by Sidney Poitier.

Michael Bolton also will perform.

Whitney Houston will receive The Brass Ring Award presented to her by Kevin Costner.

Also performing: Billy Connolly, Dudley Moore.

Producer: George Schlatter

Masters of Ceremonies: Chevy Chase, Merv Griffin and Roger Moore

The CAROUSEL of HOPE

A benefit for the
Children's
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Chairmen

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Mrs. George Bush

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and Mrs. Reagan
President Gerald R. Ford
and Mrs. Ford

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Mr. and Mrs. Earle M. Jorgensen
Mr. and Mrs. Jerry Perenchio
Mr. and Mrs. Sidney Pottier
Ms. Carol Bayer Sager
Mrs. William French Smith
Dr. and Mrs. Norman F. Sprague, Jr.
Mr. and Mrs. Thomas W. Trainer
Mr. and Mrs. Charles Z. Wick
Ambassador William A. Wilson
and Mrs. Wilson

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Mr. Merv Griffin
Mr. Roger Moore

Producer:

Mr. George Schlatter

Auction and Journal Chairman:

Ms. Nancy Davis

Entertainment Chairmen:

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and Ms. Donna Dixon
Mr. and Mrs. Michael Caine
Mr. and Mrs. Chevy Chase
Ms. Jackie Collins
Sean and Michelle Connery
Mr. Billy Connolly
and Ms. Pamela Stephenson
Mr. and Mrs. Tony Danza
Mr. and Mrs. John Davis
Miss Eva Gabor
Suzanne Pleshette Gallagher
Wendy and Leonard Goldberg
Mr. Merv Griffin
Louis and Quique Jourdan
Mr. Paul Le Mat
and Ms. Suzanne de Passe
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Mr. and Mrs. Sidney Pottier
Mr. and Mrs. Howard Ruby
Ms. Carol Bayer Sager
Mr. and Mrs. George Schlatter
Ms. Rose Tarlow
Mr. and Mrs. Anthony Thomopoulos
Mr. Robert Wagner
and Ms. Jill St. John
Mr. and Mrs. Richard D. Zanuck

Music Chairman:

Mr. Quincy Jones

Sports Chairman:

Mr. Gregg Davis

The New York Committee

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Children's Diabetes Foundation at Denver

The Boards

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Mrs. Marvin Davis
Chairperson

Richard S. Abrams, M.D.

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Jules Amer, M.D.

Ms. Nancy Davis

Steven Farber, Esq.

The Honorable Sherman G. Finesilver
Chief Judge, U.S. District Court
District of Colorado

Mr. Gerald S. Gray

Charles Halgrimson, M.D.
Associate Dean, School of Medicine
University of Colorado
Health Sciences Center

Mrs. A. Barry Hirschfeld

M. Douglas Jones, Jr., M.D.

Mr. Walter S. Rosenberg, III
The Children's Hospital, Denver

Anthony F. Zariango, Esq.

Ex-Officio Member:

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Executive Director,
Barbara Davis Center for
Childhood Diabetes

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Mr. Kenny Rogers

The Honorable Roy Romer

Governor, State of Colorado

Mrs. Roy Romer

Miss Diana Ross

Mr. Lewis Rudin

Mr. George Schlatter

The Honorable Patricia Schroeder

U.S. House of Representatives,

First District, Colorado

Mrs. Robert J. Stewart

Mrs. Robert Tucker

Mrs. Thomas N. Tucker

Miss Joan Van Ark

The Honorable Wellington E. Webb

Mayor, City of Denver

Mr. Frank Wells

The Honorable Timothy E. Wirth

Mr. Stevie Wonder

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Sara Frances (p. 9);

Glenn Jensen (p. 2 middle, p. 13, 15, 17, 19, 21-23);

2nd
distn

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: May 12, 1993

Date of Request: 3/05/1993
Request for: POTUS/FLOTUS
Type of Request: serve as Honorary Chairs
Requestor Name: Barbara and Marvin Davis
Title: Chairmen
Organization: Children's Diabetes Foundation
700 Delaware Street
Denver, CO 80204
Contact Tel. #: 303/~~623-2873~~ 863-1200
Event Date: 10/01/1994
Event Description:
Notes: Serve as Hon. Chairs of (and possibly attend) Carousel
of Hope, major biannual fundraiser.

Recommendations:

MW

??

MG

yes

JP

yes

MH

ask RAHM

*The CAROUSEL
of HOPE*

*A benefit for the
Children's
Diabetes
Foundation*



*Mr. and Mrs. Marvin Davis
Chairmen*

*Honorary Chairmen
Request*

See below

March 5, 1993

*President William Clinton and Mrs. Clinton
Attention: Miss Nancy Hernreich
The White House
First Floor
1600 Pennsylvania Avenue
Washington, D.C. 20500*

Dear Mr. President and Mrs. Clinton,

We admire the remarkable energy, dedication, and spirit you have demonstrated in responding to the many challenges which face our nation. You are such positive role models and renew the hope of all Americans that, together, we can make a better world.

It is our pleasure to invite you to be Honorary Chairmen of The Carousel of Hope, a major fundraiser that we present every other year in Los Angeles. This event is acknowledged as one of the country's leading charity efforts and will be held in October of 1994. In 1990 and 1992 this ball raised over \$5 million in one evening and was attended by a galaxy of stars and celebrated guests from all over the world. Proceeds from the Carousel of Hope benefit the Children's Diabetes Foundation with \$100,000 given to both the American Diabetes Association and the Juvenile Diabetes Foundation International. We feel that by joining hands in this effort we will improve the quality of life for diabetics everywhere.

Even though it may seem far away, it does take our committee over a year of hard work and planning to make the event the great success that it has been since the first Carousel Ball in Denver in 1978. In fact, from the time of its inception, it has raised over \$25 million to fight diabetes.

We began the Foundation in 1977 when our seven-year old daughter was diagnosed to have insulin dependent diabetes, a chronic and incurable disease. Our daughter is now 25 and because of the fine care she has received she is doing well. It is our deepest hope that she will remain in good health.

President William Clinton and Mrs. Clinton
March 4, 1993
Page 2

The mission of the Foundation and the Barbara Davis Center for Childhood Diabetes is to provide the finest health care and education for children with insulin dependent diabetes and their families and to fund research toward a cure and prevention. Since the doors opened in 1980, the Center has become a world-class center of excellence where 1,500 children from all over the United States receive care. The Center's research is internationally acclaimed and shows great promise toward a cure and prevention. Your broad scope of understanding and the President's rescinding of the ban to use fetal tissue has enabled us to move ahead with our advanced work in the transplantation of islet tissue--important research which we are convinced can and will help to alleviate the suffering of millions of Americans who have diabetes. *

We are encouraged in the knowledge that the chairmanship of President Clinton's Task Force on National Health Reform is in the capable hands of Mrs. Clinton. As parents of five children and grandparents of eight little ones, we believe there is nothing more important than the wellness of our children and all children everywhere. Strong, healthy children are our best hope for a strong and healthy nation.

We would be honored to have our President and First Lady as Honorary Chairmen of The Carousel of Hope in 1994. Realizing how tremendously full your schedules are, we would ask only that you lend your names and permit us to include your photograph and personal message of support in our Journal. Of course, we can't imagine anything more wonderful than having you attend, should this be possible.

Giving your stamp of approval as Honorary Chairmen of The Carousel of Hope would have major significance, for it would bring attention to the cause of diabetes and help not only the 1,500 children at the Barbara Davis Center for Childhood Diabetes, but also the 12 million Americans who now suffer from this disease -- the third leading cause of death in our country today.

The tragedy of diabetes is that it often strikes in childhood and its complications of blindness, kidney failure, amputation of limbs, stroke and heart disease manifest themselves in the prime of life, robbing victims of their chance to realize their full potential. But there is hope.

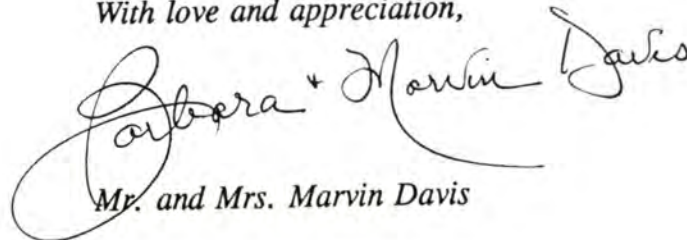
President William Clinton and Mrs. Clinton
March 4, 1993
Page 3

Because so many have united in this fight, astounding progress has been made in just the last decade and has brought us to a point where prevention is on the immediate horizon. It is now possible through genetic testing to detect diabetes in those most likely to develop it. The hope is that before the end of this decade all children will have a routine screening test at regular intervals and, with the success of current studies, there will be a safe substance, possibly a vaccine, to prevent diabetes before it irreparably damages the pancreas.

Will you be Honorary Chairmen of the 1994 Carousel of Hope? With this gesture of support, you will bring hope to millions of Americans as they reach for their brass ring: the cure.

It was our pleasure to meet President Clinton in Los Angeles and we look forward to meeting Mrs. Clinton in the not-too-distant future. For now, we thank you for giving so generously of yourselves and for summoning the courage to forge a stronger America; we are one-hundred percent behind you!

With love and appreciation,

A handwritten signature in cursive script that reads "Barbara + Marvin Davis". The signature is written in dark ink and is positioned above the printed name.

Mr. and Mrs. Marvin Davis

THE WHITE HOUSE
WASHINGTON

CLOSE 170LD

DATE: 7/26

NOTE FOR: *Witzke*

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:

07/23

THE PRESIDENT HAS SEEN

7/26

Joh,

Per Linda, Rubin's office, Mr. RUBIN will distribute a copy of this memo to those who attended the meeting. He does not want this memo staffed.

S

AC
11

THE WHITE HOUSE
WASHINGTON**CLOSE HOLD**

03 JUL 23 P9:42

July 23, 1993

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT E. RUBIN 

SUBJECT: **The Front-Loading Problem**

Several of us -- including NEC, Treasury, OMB and CEA -- met yesterday to discuss the front-loading issue. The following rough consensus emerged as a way to inject about \$10-\$12 billion into the economy in the near term.

- (1) Emergency spending on flood relief may amount to \$5 billion, spent mostly during FY94 (but some in FY93 and some in FY95). This will happen in any case; we should resist efforts to "pay for it" by, e.g., rescissions.
- (2) We should try to ramp up the gas tax, perhaps starting around 2 cents and ending around 7 cents. That would reduce FY94 taxes by about \$2.5 billion. More "tilt" would be better, but may not be politically feasible.
- (3) OMB should try to accelerate about \$5 billion in FY94 spending from the second half of the fiscal year to the first half. Note that this is not additional spending; it just "borrows" spending from April-September 1994 to put it into October 1993-March 1994. Still, the mere advancement of spending should help give the economy a small nudge in the short run, albeit at the expense of the following months.
- (4) With a \$490 billion 5-year total, rather than \$500 billion, there should be about \$2 billion less in FY94 deficit reduction.

Treasury, OMB, and I felt that going any further to alleviate front loading would be inadvisable because:

- Other "remedies" have serious political drawbacks.

- The bond market would react adversely if we give the appearance of backsliding on deficit reduction. (No one knows at what number this happens. The group feels comfortable going as low as \$490 billion, and below that, feels the risk begins to increase. My own view is that a real \$485 billion would pose little risk.
- Some of us, especially Treasury, are less concerned than CEA about the near-term outlook for the economy. (My own view on this is that growth will probably be reasonable, but with risk of disappointment.)

CEA accepts the four ideas listed above, but feels we should do more to alleviate front loading, such as:

- Taking a more aggressive stance on "tilting" to the gas tax;
- Trying for additional spending cuts in the out years;
- Retreating a bit more on the deficit reduction target by, for example, delaying the starting dates of some taxes.

However, most of the group views these options as either politically impossible or undesirable.

THE WHITE HOUSE
WASHINGTON



BC

want to
this.



THE WHITE HOUSE
WASHINGTON

July 29, 1993

Michael Mandelbaum
The Paul H. Nitze School of
Advanced International Studies
The Johns Hopkins University
1740 Massachusetts Avenue, N.W.
Washington, D.C. 20036

Dear ~~Michael~~ *Mike*:

Thank you for your letter about Skye Raiser. I am pleased to know of her help to you, and I am certain that she has much to offer our nation.

I have forwarded your letter to Bruce Lindsey, Director of Presidential Personnel.

Sincerely,

Brie

*We certainly
will use her*

SAS*July 23/93*

Michael Mandelbaum
Christian A. Herter Professor of
American Foreign Policy

The Paul H. Nitze
School of Advanced International Studies
The Johns Hopkins University

Direct Dial Telephone: (202) 663-5669
Fax: (202) 663-5656

TO:*Ms Nancy Herareich***FROM:**

MICHAEL MANDELBAUM
202-663-5669 OFFICE
202-663-5927 FAX

DATE:*7/23/93***PAGES INCLUDING COVER:***7***COMMENTS:***cc: [unclear]*



Michael Mandelbaum
Christian A. Herter Professor of
American Foreign Policy

The Paul H. Nitze
School of Advanced International Studies
The Johns Hopkins University

Direct Dial Telephone: (202) 663-5669
Fax: (202) 663-5656

July 22, 1993

Ms. Nancy Hemreich
Office of the President
The White House
Washington, D.C. 20506

Dear Nancy:

I would appreciate it if you could bring this to the President's attention.

Thank you.

Yours truly,

Mike (SL)



Michael Mandelbaum
Christian A. Herter Professor of
American Foreign Policy

The Paul H. Nitze
School of Advanced International Studies
The Johns Hopkins University

Direct Dial Telephone: (202) 663-5669
Fax: (202) 663-5656

July 23, 1993

The President
The White House
Washington, D.C. 20506

Dear Mr. President:

Skye Raiser is Vic and Molly Raiser's daughter. She was extremely helpful to me both in the campaign and in the work I did for the transition. She has also been an A student in a class of mine at SAIS.

I hope it will be possible to find a job for her.

Cordially,

A handwritten signature in cursive script that reads "Michael".

SCHUYLER RAISER

2713 O Street, NW, Washington, D.C., 20007, (202)333-8122

EDUCATION

The Johns Hopkins School of Advanced International Studies (SAIS), Washington, DC
MA. International Relations, expected May 1993

*Concentrations: Latin American Studies and International Economics
 Recipient of SAIS Student Internship Grant, Summer 1992

University of Virginia (UVa.), Charlottesville, Virginia

BA. History, Supplementary Concentration in Hispanic Studies, May 1989

Middlebury College, Middlebury, Vermont

Intensive Graduate Spanish Studies; Recipient of award for greatest contribution to school, Summer 1990

OVERSEAS STUDY

Virginia Commonwealth University Study-Tour, U.S.S.R., Summer 1989

Universidad de Valencia, Hispanic Studies Program, Spain, Summer 1988

University of London, King's College, England, History and Philosophy, Fall 1987

United States Youth Forum, U.S.S.R., Representative, National Cathedral's Peace Commission, Summer 1985

PROFESSIONAL EXPERIENCE

Special Assistant to the Vice Minister of Commerce, Department of Industry and Commerce, Paraguay
Asuncion, Paraguay, June-July, 1992

- * Assisted in intellectual property rights policy development and implementation, specifically in the reconversion and legalization of phonographic piracy activities.
- * Assisted in the research, development and organization of the first National Congress of Young Entrepreneurs.
- * Additional research on the MERCOSUR and Paraguay's transition to democracy.

Program Assistant, Latin American Department, The Center for Democracy
Washington, DC, January-October, 1991

- * Organized, advanced and attended conferences, and helped with implementation of projects focusing on parliamentary modernization, development and procedure in Central America, the U.S. and Europe for Latin and North Americans.
- * Prepared conference documents and budgets, and handled finances.
- * Translated documents to and from Spanish; drafted letters in both languages.
- * Conducted research and edited documents.

Intern, Latin American Department, The National Democratic Institute (NDI)
Washington, DC, December, 1990-January, 1991

- * Conducted research principally on Latin American political party systems and recent elections, and on potential future projects.
- * Arranged logistics and appointments for trips to Latin American countries, and helped organize NDI Washington conferences.

Producer and Host, WRMC, Spanish Radio Program, Middlebury, Vermont, Summer 1990
 Established a weekly Spanish show, including news, interviews, sports, weather, music.

Legal Assistant, Ayuda, Inc., Washington, DC, April-June, 1990

- * Conducted interviews in Spanish of potential political asylum clients, and prepared case history.
- * Interviewed and maintained contact with women (principally hispanic) filing for domestic violence, and assisted with preparation of witness questions and court presentation.
- * Prepared required documents in both Spanish and English for the Immigration and Naturalization Service and District Court.

Commentator, La Sociedad Española de Radiodifusión (La SER), Madrid, Spain, 1989-1990

Wrote all scripts and delivered broadcast for show aired three times per week; story line focused on foreigner's view of Madrid. Assisted news department with U.S. contacts and communication.

LANGUAGES

Spanish--fluent Portuguese--working knowledge

REFERENCES :

Dr. Martin Burt
Vice Ministro de Comercio
Ministerio de Industria y Comercio
Avda. Espana 323 y EE.UU.
Asunción, Republica de Paraguay
Telephone: (595-21) 27-140 fax: (595-21) 210-570

Dr. Riordan Roett
Director of Latin American Studies Department
The Paul Nitze School for Advanced International Studies
The Johns Hopkins University
1740 Massachusetts Avenue, N.W.
Washington, D.C. 20036
(202) 663-5734

Dr. Allen Weinstein
President
The Center for Democracy
Suite 505
1101 15th Street, N.W.
Washington, D.C. 20005
(202) 429-9141

Schuyler Raiser
2713 "O" Street, NW
Washington, D.C. 20007
(202) 333-8122

Mr. Mack McClarty
Chief of Staff
The White House
1600 Pennsylvania Avenue, NW
Washington, D.C. 20050

July 19, 1993

Dear Mr. McClarty:

As a follow-up to my letter of July 3, I wanted to let you know more precisely where I would be interested in working and what replies I have received from the letters I sent to Sandy Berger and Bruce Lindsey two weeks ago.

I mentioned that working at the NSC would be my first choice. However, should this not be possible at the moment -- and Sandy Berger replied to my letter, stating that due to the 25% reduction in personnel there are no positions available at least at present -- there are three other people and/or offices I would like to work in depending on their respective duties and availability. In no particular order, the first would be to work with Tom Donilon at the State Department as a personal assistant. Second would be to work with Strobe Talbott as a personal assistant. And third would be to work with Stu Eizenstat, in the same capacity of personal assistant, at the European Community headquarters in Brussels.

I did not mention these additional three interests in my letters to Sandy and Bruce, as I recently have been researching additional job possibilities that might exist in the administration and for which I believe I am qualified. I plan to speak with these people regarding potential positions. Michael Mandelbaum and some others who know both my capabilities and who know these three men have said they would call them on my behalf. I would appreciate any assistance you or others in the White House could offer as well. I look forward to talking with you soon.

Sincerely,

Schuyler Raiser
2713 "O" Street, NW
Washington, D.C. 20007
(202)333-8122

July 2, 1993

Dear Sandy:

I am writing, as I mentioned I would, to discuss more specifically the possibility of working in the National Security Council. There is no place I would like more to work, and I believe with my academic and professional background in foreign relations and policy, I am qualified to work as a junior staff member.

I finish classes this summer, have planned a brief trip in August, and would be able to begin work in September.

I am also writing to Bruce Lindsey and Mack McClarty to "get the process going," but would appreciate any help or good word you could offer on my behalf. Further, although I know you are very busy, if you have a few minutes any time after you return from Tokyo (my schedule is very flexible), I would like to discuss more seriously job possibilities.

Please let me know if you would like writing samples or written recommendations in addition to the enclosed resume. (Please note that my graduation date has officially changed to December). I hope to talk with you soon.

Best Regards,

THE WHITE HOUSE
WASHINGTON

Crow



Send copy of
his letter to
H. H. H. H.
H. H. H.



Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
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001a. letter	POTUS to John Fiorini (1 page)	07/29/1993	Personal Misfile
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COLLECTION:

Clinton Presidential Records
Staff Secretary
John Podesta (Chron Files)
OA/Box Number: 1039

FOLDER TITLE:

July 25-31, 1993 [2]

2018-0662-S
rs3061

RESTRICTION CODES

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

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

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

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

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

Withdrawal/Redaction Marker

Clinton Library

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001b. letter	Fiorini to POTUS (1 page)	07/27/1993	Personal Misfile

COLLECTION:

Clinton Presidential Records
Staff Secretary
John Podesta (Chron Files)
OA/Box Number: 1039

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b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS SEEN 7/30

July 28, 1993

6 JUL 28 PM 1:23

RECOMMENDED TELEPHONE CALL

TO: Arthur Levitt

DATE: Sometime between July 28 - July 30.

RECOMMENDED BY: Howard Paster *HP*

PURPOSE: To congratulate Levitt on being confirmed as the Chairman of the Securities and Exchange Commission.

BACKGROUND: Levitt was sworn in as a Commissioner on July 27 and was named Chairman later that day.

Levitt helped to raise \$3.5 million for the campaign and was formerly Chairman of *Roll Call*, the Capitol Hill newspaper.

TOPICS OF DISCUSSION:

1. Congratulate Levitt on his confirmation and appointment as Chairman.
2. Tell him that you look forward to working with him.
3. Thank him for his help during the campaign.

CONTACT PERSON AND TELEPHONE NUMBER(S): Arthur Levitt (202) 272-2200

DATE OF SUBMISSION: July 28, 1993

ACTION: _____

THE WHITE HOUSE

WASHINGTON

July 30, 1993

RECOMMENDED TELEPHONE CALL

TO: Senator Nancy Landon Kassenbaum (R-KS)
202-224-4774

DATE: July 30, 1993

RECOMMENDED BY: John Podesta *JLP*
Howard Paster *HP, TK*

PURPOSE: To thank her for her vote in favor
of Dr. Elders.

BACKGROUND: Dr. Elders was favorably reported from the
Labor Committee this morning by a vote of
13-4. Senator Kassebaum, the ranking member,
gave an emotional statement concluding with
her view that Dr. Elders deserved a chance to
talk to and reach young people who other
leaders could never hope to reach. Senator
Coats at the end of the hearing buttonholled
Kassenbaum and expressed his extreme
displeasure with her vote.

TOPICS OF DISCUSSION:

1. Thank her for her vote.
2. Let her know that you are aware she was
under great pressure to go the other
way.
3. Talk about the personal commitment and
strength Dr. Elders brings to the job.

CONTACT PERSON: John Podesta
x2702

ACTION:

*We can't have a decision
very hard to delay from Sen. Voth
to Sept just bec. of an other business*

Senators Durenberger and Jeffords (by proxy) voted in favor.

~~1~~ ~~2~~
Reynolds - Show to Charles
(I think we ought to circulate
this to many of our senior
order — B.

JUDY MANN

The High Price of Overwork

If I had as much money as Apple Computer Chairman John Sculley does, I would not be posing for Fortune magazine, sitting on my bed at 3:30 in the morning, sipping coffee and watching CNBC. I'd be sound asleep.

Of course, this might be one reason why I write a newspaper column and Sculley has spent the past decade running a company with \$7 billion in annual sales. Sculley told Fortune that the age of global communications has made a good night's sleep a relic of the industrial age. "It's a 24-hour day, not an 8-to-5 day."

Harvard University's Juliet Schor, who wrote "The Overworked American: The Unexpected Decline of Leisure," has just returned from Japan where, she says, "the same mentality reigns. While I was there, a young man in Osaka dropped dead from overwork. He was averaging about three hours of sleep a night. He was 26 years old and worked as a stockbroker."

She says that estimates of deaths from overwork in Japan range from 10,000 to 20,000 a year. "Human beings are not made to go without sleep. If people think economic incentives can best biology, I think that's a very foolish point of view."

"It's very difficult to keep a clear head and to keep one's intellectual and personal equilibrium when you live with such a high level of stress as one must if one is getting so little sleep. For both ordinary good thinking but also for creative thinking and deep thinking, it's necessary to have some kind of peace of mind and equilibrium."

Working excessively long hours creates a collision between corporate time and family time. "The rhythms at the workplace are very different," she says, "and what I fear is that the rhythms of corporate life are encroaching too much on the rest of society and that they are leading to a speed-up in other places as well."

Bob Reinheimer, a professor of management practices at Duke University's Fuqua School of Business, says, "There's a point where someone becomes so fatigued and so stressed out that in the short term they are likely to make poor decisions and in the long run they damage their ability to lead productive lives." The old model of the corporate person who is first in to work and the last to leave, he says, "is out of step with the times. The goal of technology is to allow people to work efficiently and

effectively and, I hope, to free them up to enjoy lives outside of work. What's interesting is in the last 10 years, it's suddenly okay to have a family.

"Enlightened organizations recognize that the best employees are folks who have a sense of balance in their lives, because they are the people who make better decisions in the short run and who are alive in the long run to benefit the organization with all they have gained over their years of employment. An integrated life is what works, and companies are allowing people to do it."

Stephen Kaplan, a professor of psychology at the University of Michigan, is part of a group that has been researching mental fatigue. "The essential factor is the capacity to focus one's attention, and when that starts to deteriorate there are a whole series of difficulties that arise. It's difficult to listen to somebody else, to make effective decisions; there's a tendency to be impatient and impulsive, to get on with it, rather than consider alternatives. There's a tendency that goes against being reflective or being thoughtful."

The single most powerful antidote, he says, is the natural environment—"even looking out the window into the natural environment." Studies have shown that cancer patients recover faster, prison inmates stay healthier, and people experience less work pressure when they have a window view of nature. For reasons no one quite understands, a view of trees is "an extremely powerful factor," he says.

A study of AIDS caregivers in San Francisco found that the "single most helpful factor in resisting mental fatigue and burnout was locomotion in the out-of-doors. And probably the worst single thing you could do is watch television." Proofreaders who took a wilderness vacation returned refreshed and their work improved. No such improvement was found for proofreaders who took an urban vacation or failed to take a vacation, Kaplan says.

We all know that some people need more sleep than others, and maybe some executives can get by with just a few hours' sleep. But they set a terrible organizational example: Subordinates feel they have to do the same thing, and they end up exhausted, ineffective and vulnerable to depression. "Under conditions of mental fatigue, there's a tendency for things to fall apart," Kaplan says. "And for one not to remember what the purpose of it all is."

That's when we need a walk in the woods.

MOTHER GOOSE & GRIMM MIKE PETERS

IS 4017 DGA

65 - Let's discuss A1

THE WHITE HOUSE
WASHINGTON

7/29 P6:11

July 29, 1993

PRESIDENT HAS SEEN 7/29

RECOMMENDED TELEPHONE CALL

TO: Governor Ben Nelson of Nebraska

DATE: Friday, July 30, 1993 between 1:30 p.m. and 2:30 p.m.

RECOMMENDED BY: Regina ^{RM} Montoya and Jeff Watson

PURPOSE: To enlist Governor Nelson's support of your Deficit Reduction Plan.

BACKGROUND: Governor Nelson would like to speak to you for five minutes regarding budget issues.

TOPICS OF DISCUSSION:

1. Governor Nelson wishes to discuss budget cuts in your program, as well as cuts he has instituted in Nebraska.
2. He would like to discuss where his Senators stand on the vote.
illustrate Kerry proposal
3. He is very supportive of your plan, and believes that a phone call from you would help create a positive public image that would help the vote in the Senate.

CONTACT PERSON AND TELEPHONE NUMBERS: Shirley Arthur
(402)471-3466(at the Governor's Mansion)

DATE OF SUBMISSION: July 29, 1993

ACTION: call "cut senior"

THE WHITE HOUSE

WASHINGTON

3 JUL 29 P6:11

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(402)471-3466(at the Governor's Mansion)

DATE OF SUBMISSION: July 29, 1993

ACTION: _____

THE WHITE HOUSE
WASHINGTON

July 29, 1993

THE PRESIDENT

THE PRESIDENT HAS SEEN
7/30

MEETING WITH SENATOR HOLLINGS

DATE: July 30, 1993
LOCATION: Oval Office
TIME: 11:45 A.M.
From: Alphonso Maldon M

6/5/93
Comm: this
B

I. PURPOSE

To meet with Senator Hollings to discuss DFAS and the impact base closure is having on Charleston. ~~XXXXXXXXXXXXXXXXXXXX~~

II. BACKGROUND

Deputy Defense Secretary Perry led a delegation of Federal Government leaders to Charleston on July 23, 1993 to reinforce the Administration's support to communities affected by base closings. Senator Hollings accompanied Secy Perry as well as several White House staffers from NEC and the office of the Chief of Staff. Admiral Mauz, Atlantic Fleet Commander and the Commander of the Naval Base Charleston also joined the delegation in Charleston, SC. In addition, representatives from the Army Corps of Engineers and the Department of Commerce, Education, Environmental Protection Agency, Housing and Urban Development, Labor and Transportation were present. During the visit Secy Perry made several pledges which I have noted in the attached talking points.

III. PARTICIPANT

Senator Hollings

IV. PRESS PLAN

Press will spray at the opening of the meeting.

V. SEQUENCE OF EVENTS

Greet, make remarks, open discussion

VI. REMARKS

None required

BACKGROUND/TALKING POINTS

- The Senate Commerce, Justice, State and Judiciary Appropriations bill was approved by the full senate yesterday by a vote of 87-13. Senator Hollings is the Chairman with Senator Domenici the ranking Republican member. Both Senators praised your immigration initiative on the floor during the debate.
- Senator Hollings provided funding for most of the initiatives contemplated in your immigration announcement. He included \$10 million for FBI counterterrorism capabilities (training and equipment); funding for the Immigration and Naturalization Service to hire an additional 600 border patrol agents; and funding for construction, renovation, and equipping alien detention facilities.
- Senator Hollings needs to be assured that the Administration will continue to work with him to ensure full funding for your initiatives. The Vice President has tried to call Mr. Hollings several times in the last few days about the funding levels but the two have not discussed it yet.
- Secy Perry made the following pledges of DOD to Senator Hollings:
 - One week after the BEST commission submits its grant application for reuse planning funds, DOD would approve funds for their start up.
 - Provide people to help with their plan
 - Undertake an accelerated process to transfer property and to the extent legally possible at no cost to the community
 - Expedite the environmental process
 - Provide a transition coordinator to help understand the federal government
- In Charleston, Mayor Joe Riley and Mayor Bobby Kinard, North Charleston made the following requests of Secy Perry:
 - Move the Defense Finance Accounting Center to Charleston
 - Consolidate the Naval Electronic Facility expeditiously in Charleston
 - Preposition ships in Charleston
 - Provide substantial financial investments in Charleston
- As you know, Secy Aspin recently announced a new site selection process to replace the process initiated by the previous Administration. The new process is based on

a principle of fairness and shared burden to the taxpayer.

- DFAS currently has about 11,000 people at 5 locations: Denver, Cleveland, Kansas City, Indianapolis, and Columbus. DFAS also has 16,000 more people spread across the country in more than 300 sites ranging in size from a dozen people to 400 people. The current plan eliminate a combined total of over 20,000 civilian defense jobs both from within the Military Departments and from within DFAS by standardizing and upgrading the Department's finance and accounting systems and consolidating these activities.
- Current plans indicate that once this standardization and consolidation initiative is complete, annual savings of almost one billion dollars in personnel savings will occur.
- During the Prior Administration, DFAS initiated a nationwide site selection process called the Opportunity for Economic Growth (OEG). It was rejected because it was viewed by many as an auction for public service jobs. It was also viewed as an unfair effort to place the cost burden of providing for a strong national defense on local communities rather than sharing the costs across the nation. Further, this process resulted in local communities offering their own scarce resources to subsidize Defense operations. It was fundamentally inconsistent with your community reinvestment initiatives.
- The new process, which will be conducted by DFAS does not require communities to bid or otherwise offer financial support for future sites. The DFAS planning team is led by Brigadier General Gary Hahn. We expect the analysis to be completed by winter.
- The process will develop and analyze various options and culminate in recommendations to consolidate DFAS activities from more than 300 locations down to about 5 - 15 sites.
- Evaluation will be based on the following criteria:
 - Cost to the government
 - Maintenance of customer service
 - Use of defense assets made redundant by the end of the Cold War
 - good labor supply
- DFAS has been tasked to prepare a four-part analysis as follows:
 - Stay where we are --leasing space in existing locations

GSA will be asked to survey available office space to be leased in the cities where DOD already has major accounting centers-namely, Indianapolis, Cleveland, Columbus, Kansas City, and Denver. This work will yield a baseline against which to judge the next three.

Gregg/65 - (winner would be Mon
on this - B.C.)

Jim Hoagland

Libya's Spurned Offer

Writing about Libya's efforts to evade punishment for the bombing of Pan Am flight 103 brings an unexpected gain. It has put me in touch with an exceptional group of Americans around the country whose sense of right and wrong, and displays of raw emotion, contrast sharply with the sophisticated, results-oriented behavior of the Washington establishment I normally cover.

These Americans are families and friends of Pan Am passengers and crew members who perished over Lockerbie, Scotland, on Dec. 21, 1988. Many have dedicated themselves to making sure that this monstrous crime does not get swept under the rug. These families pursue justice more than they pursue vengeance, even if that emotion is not totally absent from their thoughts.

Their lives have been scorched—some say destroyed—by the Lockerbie crime, the enormity of which surprised me as I dug back into it.

The Pan Am bombing set off the most wide-ranging international criminal investigation in recent history. It sent America's premier airline into terminal bankruptcy. It has provoked more debate and action within the U.S. government and the United Nations—which have demanded that Libya turn over two men charged with carrying out the bombing—than any other individual foreign terrorist act I can recall.

Pan Am 103 appropriately serves as the defining moment of the 1980s in John Updike's Pulitzer Prize-winning novel, "Rabbit at Rest." Updike implicitly suggests that an American era of being dominant and at ease abroad came to an end with this attack.

I "knew" all those things. But I had not added them up and realized that the crime of Pan Am 103 is a giant vortex of emotion, politics and money, sucking nations, families and individuals into a destabilizing swirl that is far from finished. The families of the 259

victims live permanently at the center of that vortex, but none of us interested and involved in America's role in the world escape the pull of this crime.

Money is at the root of the latest phase of the Lockerbie case. Some of the victims' relatives called my attention to what they see as an attempt to buy them off to end their relentless pursuit of the Libyans. That notion enrages them. Deeply held values that tend to get lost in the business-as-usual shuffle of Washington fuel the rage in many cases.

I confess I started out expecting to have minimal contact with the families. A journalistic reflex led me to fear getting bogged down in discussions that would eat up enormous amounts of time on "peripheral" matters.

None of us can feel what the families have suffered, no matter how hard they try to make us do just that. They will always seem too emotional, obsessive about their losses and difficult to deal with from an outsider's "rational" perspective. A day in any police court will demonstrate what I mean. Pan Am 103 is superficially a homicide case writ large in the skies above Scotland.

But Susan Cohen, Rosemary Wolfe, Stephanie Bernstein and others convinced me that their concerns are the real heart of this story. And they had a piece of the giant puzzle of Pan Am 103, insistently asking what the Libyans wanted done by American lawyers who were offered \$1.5 million to take the case.

As a sovereign government, Libya cannot be sued by the families or anyone else without Libya's permission. The families have sued Pan Am's insurer. A judgment that could eventually lead to awards totaling \$500 million in 225 separate cases is now on appeal in the 2nd U.S. Circuit Court of Appeals located in New York.

Second, the U.S. government controls \$958 million in Libyan assets, frozen under economic sanctions enacted in 1986 to punish Libya for supporting



international terrorism. Is Libya hiring U.S. lawyers to help in unfreezing those assets so part can be paid to the Pan Am families?

The outlines of such a deal were in fact conveyed to Lee S. Kreindler, the New York lawyer who represents the largest number of Pan Am victims' families, on July 12. Kreindler describes in convincing detail a Libyan offer that would funnel hundreds of millions of frozen Libyan dollars to the families if they would in effect condone trials for the two wanted Libyans in a country other than the United States or Britain.

Kreindler turned the deal down, saying his clients considered it an outrage. He also expressed concern that offers of a deal with Libya could undercut his pending case against Pan Am.

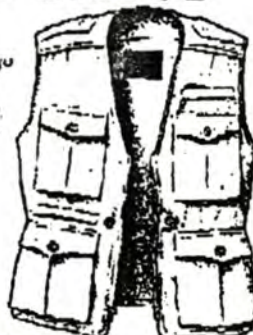
The families I spoke to are determined to seek justice instead of pursuing will-o'-the-wisp Libyan offers. Their anger at Washington insiders who see the Libyans as just another (wealthy) client to be represented or a diplomatic problem to be solved burns intently.

"The families drive us nuts," acknowledges a senior U.S. official. "But they are very effective and keep pushing us to bring the Libyans to justice. As upset as I get with them, I'm glad they are there."

The bombing of Pan Am 103 was a crime against America as well as against these individual Americans. They have thought seriously about the effect on society at large of crimes that are clear but go unpunished. Now so should the rest of us.

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65 Cough inquiry

THE PRESIDENT HAS SEEN

LETTER FROM WASHINGTON

7/30

THE SORCERER'S APPRENTICES

While David Stockman took the rap for Reagan's voodoo economics, some of his unrepentant cohorts now assail Clinton as he battles the deficit they helped create.

BY SIDNEY BLUMENTHAL



THESE days, David Stockman leads the life of Prescott Bush before politics—that of a Wall Street banker with a home in Greenwich, Connecticut. “We just call them ‘buyouts’ now. They used to be called ‘leveraged buyouts,’” Stockman says about his work with the Blackstone Group, the boutique investment-banking firm where he’s a partner. Shutting between a Manhattan aerie and his suburban retreat, he is far removed from the trench warfare of Washington. “Time flies,” he says.

Twelve years ago, Stockman was, of course, the driving force behind Ronald Reagan’s economic policy. As the director of the Office of Management and Budget, he devised the strategy that carried Reagan to a happy ending. “In the timing of the economic cycle, it was easier to skirt the responsibility,” he says. But past policy—the preemptive power of the deficit—is crushing present possibilities. Now, pinned down in a hazardous no man’s land, Bill Clinton suffers the wounds. There appears to be no place he can stand outside the deficit’s shadow. “Clinton is the innocent who went to some country hollow and got caught between the Hatfields and the McCoy’s,” Stockman told me. “The job of every President since Reagan—a sunshine boy who didn’t want to acknowledge that the deficit was his problem—is to distribute and administer pain. Clinton is mired neck deep.”

“Guilty” is the plea registered by Murray Weidenbaum, Reagan’s first chairman of the Council of Economic Advisers, about his Administration’s responsibility for creating the burden of the deficit. “Stockman’s plan is still working,” Weidenbaum says. “It’s very hard to explain. The farther away in time one gets, the harder it is to explain. Something from 1981 is determining the present.”

Stockman has been warning against the consequences of his economic strategy since November, 1981, when *The Atlantic* published William Greider’s account of interviews with him. Stockman’s memoir, “The Triumph of Politics,” which appeared in 1986, the year after he left the government, is a gothic horror story of Reagan’s Washington. Since then, his life has been private, and he has steered clear of uttering public opinions. But over time his condemnation of what Reagan wrought has only intensified. Watching Clinton grapple with the politics of the deficit transports Stockman back to the scene of the crime. “No one imagined how bad the outcome would be,” he says. “It was really an unnecessary chapter. It got away from us. It would have been far better had it not happened.”

IT was David Gergen who brought David Stockman to Ronald Reagan’s attention. In September, 1980, the can-

STOCKMAN

THE NEW YORKER, JULY 19, 1993

didate was rehearsing for his debates about an hour away from Washington, at the Virginia estate of Senator John Warner and his then wife, Elizabeth Taylor. The first debate was not against Jimmy Carter but against John Anderson, the moderate Republican named independent. Gergen, in charge of debate research, was working at the American Enterprise Institute, a conservative think tank that had become known as the seed-bed of a new doctrine: supply-side economics. According to the sloop of the Laffer curve, cutting taxes—especially the top rates—would unleash the forces of production and, miraculously, increase federal revenues. Stockman, an earnest, intense representative from Michigan, was a charter member of the supply-side “cabal” (as its chief promoter, the former *Wall Street Journal* editorial writer Jude Wanniski, called it), but it was his service as Anderson’s chief aide on the House Republican Conference that prompted Gergen to recruit him as Anderson’s stand-in for the mock debate—a portentous casting decision.

After Reagan’s election, Stockman, with other supply-siders, wrote a memo entitled “On the Danger of a GOP Economic Dunkirk.” They urged that the President-elect “tell the Congress and the nation that the economic, financial, budget, energy, and regulatory conditions he inherited are far worse than anyone had imagined.” Gergen was put in charge of what was known as the First Ninety Days Project. The supply-siders lobbied hard for Stockman’s appointment as budget director.

The son of fruit farmers, Stockman was a reflexive rural conservative who became a campus leftist at Michigan State in the nineteen-sixties. After graduation, he entered Harvard Divinity School. (At the height of the Vietnam War, attendance there earned a deferment.) He also got a job as babysitter for the children of Professor Daniel Patrick Moynihan, who met Stockman’s radicalism with bemused skepticism. Gradually, Stockman reverted to his native Republicanism, and adopted Anderson as his mentor. He moved to Washington, where his offerings in small conservative journals and his presence at the seminars of the ideology factories gained him connections. Stockman the thinker was touted even by the neoconservative “godfather” Irving Kristol in the *Wall Street Journal*—a col-

umn that Stockman turned into priceless campaign literature in 1976, the year he was elected to Congress.

Stockman was thirty-four years old when Reagan appointed him to head the O.M.B. His straight, graying hair was shaggy, his suits were slightly ill-fitting, and his gaze (through oversized glasses) was fierce. In some obvious ways, Stockman and Reagan were alike. Both were sons of the bucolic Midwest who grew up in modest circumstances; both were political liberals who turned right. But in truth they were opposites in almost every respect. While Reagan napped, Stockman slaved: at five in the afternoon, the workday for the President was concluded; for his budget chief, a long night of labor lay ahead. Stockman played the Calvinist to Reagan’s pleasure-seeker, the worrier to the blithe spirit. He was left to take care of the hard realities.

According to the tax-cutting budget that Stockman devised, the deficit would be zero in 1984 (Reagan’s reelection year); by 1986, the budget would show a surplus of twenty-eight billion dollars. This projection, however, was soon sardonically referred to, even within the Administration, as Rosy Scenario. In Congress, the tax-cutting soon became a movable feast for special interests. “It started in the Republican caucus,” Stockman recalls. “Everyone wanted something. That set the pattern. It cut a new contour in the whole process of government—there hadn’t been large-scale fiscal politics practiced earlier. The budget, on its own momentum, was always close to balanced. It would cycle up a bit. If you didn’t do anything, there was no harm done. You were rolling along in fairly solvent condition. Basically, the underlying fundamentals were sound. When it fell apart in 1981 with the tax-cut bill, you entered the opposite world.”

On June 5, 1981, senior Presidential aides and economic principals met to decide whether or not to admit publicly that Rosy Scenario was just that. (Stockman was not present. He sent a deputy, with instructions to argue in favor of the confession.) “You mean it really is voodoo economics, after all?” James Baker, the chief of staff, asked. Baker—supported by the others, including Gergen—went on to argue against self-exposure. In their calculations, honesty would kill the tax plan, a new version of which was to be introduced before Congress the following

week, and immediate political success transcended long-term economic effect. Thus, Stockman writes in his book, “gridlock” was created: “We had painted ourselves into a corner.”

“What happens if the economic assumptions we’ve been using turn out to be wrong?” Stockman suggested to Reagan on July 15th. Reagan would not consider even a hint of apostasy.

Murray Weidenbaum then told Reagan that a recession was about to begin. “What was normally a very nice man gave me the coldest stare,” he says. “That cold stare took days to dissipate. Maybe he didn’t expect the bad news. I’m no psychologist.”

Stockman, already disillusioned, attempted what he called “the big fix”—to somehow come up with spending cuts that would compensate for the tax cuts. Earlier, he had appended an asterisk (a “magic asterisk,” he called it) to the budget to signify spending cuts to be named later. They never came, and his own search proved a politically impossible task. That November, *The Atlantic* article appeared, with Stockman describing supply-side economics as a “Trojan horse,” and saying, “None of us really understands what’s going on with all these numbers.”

“We could have had a midcourse correction,” Stockman says now. “There was more courage in 1982.” In fact, in March, 1982, the President authorized Baker to negotiate a deal with the Democrats. For months, a bipartisan group of senators, representatives, and Administration officials known as the Gang of Seventeen met to thrash out a plan. “Everyone was ready,” Stockman says. “But Reagan said no. He wouldn’t allow it. He didn’t believe there was a problem. That was his selectivity on the facts of life. The whole thing got turned into a cynical, politicized surreal substitute for sane fiscal governance.” Within months, however, the recession lifted: it was morning in America again. Reagan never submitted a budget in balance. Nor did he submit a budget that was ever taken seriously by Congress.

But Reagan was not indifferent to deficits. Despite rhetorical bemoanings, he came to regard them as a positive good, according to Weidenbaum, who quit out of frustration in 1982 and is now a professor of economics at Washington University, in St. Louis. “On the question of fiscal deficits, I recall his views going through three stages: one, they won’t oc-

LETTER FROM WASHINGTON

31

cur; two, they'll be temporary; three, when they stick, they serve a good purpose—they keep the liberals from new spending programs. Oh, sure, that was Reagan. The President loved to tell a story about a boy who, confronted with a room full of horse manure, would insist that there was a pony in there. That pony was the one Reagan rode into the sunset.

WHAT are you doing?" Dan Rostenkowski, the chairman of the House Ways and Means Committee, asked Baker upon hearing George Bush's "read my lips" pledge during his 1988 campaign.

"We're going to elect a President of the United States. We'll talk about that after he's elected," Baker replied. The lesson of Reagan seemed to be that fiscal policy could be finessed indefinitely. But it couldn't, as Bush later discovered.

Bill Clinton is "getting a fast education in how decadent this whole fiscal process has become," Stockman says. "The thing has decayed so far you have to have this fruitcake," he adds, referring to Ross Perot. Stockman says of Clinton's efforts, "I would give him credit for labeling the problem as Problem No. 1. He's addressing it in an honest way, putting tough measures on the table. You can always make the case that they should cut spending, but after twelve years it's obvious they're not going to. It's a phony debate that the Republicans and some of the Democrats have put up. It's a pretty cowardly display—not only cowardly but intellectually ragged. It's a pretension that anyone is seriously interested in spending cuts. Rather than look at what is needed, the response is: How do we posture? Those Western senators ought to be taken out to a corral and shot." The Republicans, he adds, are "totally irresponsible."

The Democrats, as Stockman sees it, are haunted by their willingness to enter into the Reagan Revolution. "Clinton is paying the price for the Democrats' colossal political mistake in July, 1981, when they decided to join the bidding war, getting concessions on the tax bill. Lloyd Bentsen voted for it. Moynihan voted for it, even though he mused at the time that it might not be a responsible plan. Rosty led the charge on the House side, and now he's sentenced to clean up the mess. It was a tremendous mistake, dramatically reducing the revenue base of the United States government, prevent-

ing the funding of programs they already had, not to mention any unfinished agenda. It was totally against their interest to support that massive tax-cutting bill. They were like an army in the heat of combat disarming themselves. Why did they do it? It's unfathomable."

Today, many of the main players from that budget drama are on the stage, in different roles. "Gergen was the one writing the words that put the ball over the goal line," Stockman says. "He put all the positive spin on the Reagan miracle. What comes around goes around. Gergen was spin-doctoring, now he's in the spin." Phil Gramm, the Republican senator who hectors Clinton for raising revenue by taxation to meet the deficit, was, as a Democratic representative, an original co-sponsor of the Reagan tax-cut measure. Bob Dole, the Republican

leader, with the Presidential rival Gramm in his peripheral vision, slams Clinton with the phrase "tax and spend," though he himself called for tax increases in the early nineteen-eighties to deal with Reagan's deficits.

President Clinton, the "innocent," repudiates the past but is trapped by it. In his struggle to restore the means of positive government, his themes of hope and the future have been slipping away from him as he faces the difficult problem of explaining the necessity of solvency and the connection between means and ends.

David Stockman, a mere observer of the doomsday machine he set in motion, says, "There's not enough room for the new, and the old has a constituency. Unless you've been part of the process, you can't appreciate the existentialist dimension of it."



"Incidentally, I'm ordering all this fertilizer for peaceful purposes."

Michael Kinsley

The Journal And Vincent Foster ✓

THE PRESIDENT HAS SEEN

7/30

August/September 1993
The Washington Post
B.

I don't really believe that deputy White House Counsel Vincent Foster was driven to suicide by a series of viciously unfair editorials in the Wall Street Journal. But it would be easy enough to make the case, if one were willing to use the same dishonest techniques that the Journal used against Foster in recent weeks.

The Journal's basic theme was that Foster and three other alumni of Arkansas's Rose Law Firm, including Hillary Clinton, formed a sinister cabal within the Clinton administration. A subtheme was that this cabal is engaged in a secret plot to abuse the powers of the White House.

Keep in mind a couple of things. First, it is hardly surprising that a president from Arkansas would hire four people from the state's leading law firm. In 1981 Ronald Reagan, with a far larger California legal establishment to choose from, gave four top administration jobs to partners in the Los Angeles firm of Gibson Dunn & Crutcher. The Wall Street Journal raised no alarms.

Second, throughout the 1980s the Journal editorial page was the nation's loudest troubadour of untrammelled executive power. Most memorably, it defended with righteous thunderbolts the Reagan administration's alleged constitutional privilege to conduct a secret war in Nicaragua and lie about it, even in violation of explicit laws passed by Congress and signed by the president.

Yet there was the Journal—in an editorial June 17 titled "Who Is Vincent Foster?"—declaring that what is "most disturbing" about the Clinton administration is "its carelessness about following the law." Two examples were offered. The first involved a federal judge's accusation that the administration had "dilly-dallied" about preserving White House computer tapes. This from the newspaper that applauded Ollie North for his famous "shredding party" of Iran-contra documents. In the present case, there was no question of a coverup: The tapes were from previous administrations. And the editorialists even conceded that they found the judge's order "more than a little presumptuous." But that didn't stop them from suggesting skulduggery.

Their second alleged concern was whether private meetings of Hillary Clinton's health care task force violated something called the Federal Advisory Committee Act. The editors expressed in passing their characteristically overheated view that this law is an unconstitutional intrusion on executive power. But, far from inviting Mrs. Clinton therefore to flout it, they declared that "a basic test of [an administration's] character and mores" is "how scrupulously it follows the law" and went on to sneer that "constitutional law may not have been the big part of the Rose firm's practice."

The editorial's title referred to the White House's hesitation to supply a photograph of Foster to illustrate the predictable vilification. An ungracious note the next day conceded that a White House fax reporting a photo on the way had arrived before deadline time but "didn't promptly come to the attention of the responsible editors."

"Vincent Foster's Victory" (June 24) dealt with the troubling development that a federal appeals court had upheld Mrs. Clinton's right to hold her task force meetings in private. Far from apologizing for the earlier accusation that the Rose crowd had done something improper, the editorial ironically congratulated Foster as a "movement conservative" for successfully defending executive power.

With barely a pause for breath, though, it then went on to accuse "the Clintonites, as is their wont" of allowing "hubris to smother mere principle" because "they went secret over changing the entire American health care system"—as if reforming the health care system (like, say, funding the contras) could actually be done in secret.

Over the next month, the Journal published several similarly thoughtful editorials about the nefarious doings of the Rose "cronies." Much effort went into misrepresenting the White House Travel Office farce as a dark effort "to investigate some political enemy."

The last time Vince Foster had the opportunity to read his name in the Wall Street Journal was July 19. "What's The Rush?" complained that the Rose "gang . . . is now hell-bent on firing the head of the FBI" and asked why the "hurry." Given that the exposure of abuses by William Sessions had come from the Bush administration, and that the Clinton people had been sitting on the case for six months, it might seem a little hard to argue ulterior motives and unseemly haste. But the Wall Street Journal was up to the job. The editorial offered no evidence—or even a theory—of why the Rose clique should be out to get Sessions unfairly.

In "A Washington Death" (July 22), the Journal called for an independent "special counsel"—exactly the institution it had howled against so often during the Reagan-Bush years—to investigate Foster's demise. And then this: "We had our disagreements with Mr. Foster during his short term in Washington, but we do not think that in death he deserves to disappear into a cloud of mystery that we are somehow ordained never to understand. . . . If he was driven to take his life by purely personal despair, a serious investigation should share this conclusion so that he can be appropriately mourned."

So the Journal's vendetta is actually a favor to Vince Foster! Foster left no suicide note. If he wanted to dissipate the mystery surrounding his death, he could easily have done so. It's safe to assume he did not die counting on the Wall Street Journal to safeguard his memory. As for the phrase "appropriately mourned"—it defies comment.

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Hobart Rowen

Touchy on Trade ✓

James Carville, the administration's tough political genius—he's the one who coined the winning "It's the economy, stupid!" campaign slogan—also has an emotional side.

Federal City Club members discovered this last week when he accepted their "Cool Hand Luke" award. Carville, in talking about "real" people, choked up as he mentioned family members, especially his daddy and elderly aunts. Carville also showed his compassionate side in an unusual op-ed piece in *The Post* on July 24.

In it, Carville revealed the Clinton administration's considerable ambivalence about the North American Free Trade Agreement with Canada and Mexico by arguing that "pro-NAFTA forces [must] take responsibility for the real lives that will be displaced and disrupted," just as a group of "pro-life Catholics" he had encountered "understood that real lives are affected by their position."

The "power brokers" and "powerful Washington insiders" supporting NAFTA, Carville wrote, must soften the blow by also supporting worker retraining, extended worker displacement benefits and the earned income tax credit.

The rap against NAFTA, bolstered by opposition from labor unions, is that against the well-publicized claim that NAFTA will have a net positive effect on the U.S. economy, the treaty in the short run will cost America jobs at a time it can ill afford higher unemployment.

A reader in Randallstown, Md., argues that a high-wage country like the United States courts disaster by engaging in free trade with a low-wage economy like Mexico. Another reader, Kenneth M. Scarboro of Pittsboro, N.C., makes the point that displaced workers "who now fill low-pay, low-skill jobs are not likely to be retrainable for high-tech jobs."

The question making the rounds in Washington is whether the Clinton administration, which inherited the NAFTA proposal from the Bush administration and is backing it only if suitable environmental and workplace "side agreements" are agreed to, will actually propose NAFTA to this Congress. Those agreements still seem elusive.

The Clinton strategists have made health reform the top legislative priority once the budget package has passed. Thus, there may not be enough time for the key congressional committees to consider both health reform and NAFTA this year.

"It's a question of sequencing," trade ambassador Mickey Kantor acknowledged in a telephone interview. "We are absolutely committed to getting the NAFTA done and to make it successful. But I can't overemphasize how important health care is."

Industry supporters of NAFTA right-

ly complain that Clinton himself has not done enough to sell NAFTA around the country, while Ross Perot gets enormous publicity with his claim that "the giant sucking sound you hear" is the loss of American jobs to Mexico.

W. H. Clark, chairman of *Nalco Chemical Co.* and of a pro-NAFTA chemicals industry lobby, said in an interview: "I feel we need a whole lot more help to get the agreement sold, especially a stronger statement from the president himself. Remember, the general public doesn't know much about NAFTA. Clinton should say he personally supports NAFTA and that it will create jobs."

Clark, here to lobby both the administration and Congress, is certain NAFTA will benefit the American chemicals industry, already the nation's biggest exporter, because Mexican tariffs, now 2½ times American tariffs, will be eliminated over a 15-year period.

But on Capitol Hill, Democrats are not yet sold. Majority Leader Richard Gephardt told the U.S. Chamber of Commerce on July 22: "I want to support [Clinton]. But, my position predates his presidential candidacy. If the agreement isn't good enough, I'll oppose it."

In all probability, both the benefits and drawbacks of NAFTA, insofar as this country is concerned, have been exaggerated. The Mexican economy is less than 5 percent of the size of the American economy. Thus, for us, NAFTA is not that big a deal. It should be apparent as well that with or without NAFTA, there is nothing to bar American companies from moving some of their operations to Mexico or elsewhere.

But Mexico stands to be a principal beneficiary because NAFTA would encourage large inflows of foreign capital, helping to boost its standard of living. If a NAFTA defeat would be a political disaster for Clinton, a NAFTA defeat would be both a political and economic disaster for Mexico.

A new Congressional Budget Office study rejects the likelihood of "a wholesale relocation" of plants and jobs to Mexico—a fear that Perot irresponsibly promotes. Yet CBO recognizes that there will be "painful adjustments and losses" for some workers, companies and communities—the ones that Carville and some of my correspondents cite.

"But the gains cannot be achieved unless some adjustments are made by shifting labor and capital resources from less profitable uses to more profitable uses," CBO says. That is analytically correct and unemotional. But as Carville seems to be saying to Bill Clinton, those to be displaced by NAFTA need to hear something more than grin and bear it.

THE WHITE HOUSE

WASHINGTON

July 24, 1993

RECOMMENDED TELEPHONE CALL

TO:

Senator Kennedy
Senator Hatfield
Senator Mosley-Braun
Congresswoman Lambert

DATE:

July 24, 1993

RECOMMENDED BY:

John Podesta JOP
Howard Paster HP

PURPOSE:

Thank you's for their help on the Elder's nomination.

BACKGROUND:

Senator Kennedy did a masterful job of managing a very difficult hearing. Senators Nichols and Coats tried using procedural tricks to force the hearing into next week, which Kennedy repelled. Hatfield, Mosley-Braun, and Lambert gave strong introductions and committed to rearrange their schedules to fight Nichol's tactics.

TOPICS OF DISCUSSION:

- * Thank them for their help on this difficult nomination.
- * Thank Hatfield for showing bipartisan support.
- * Mosley-Braun has been highly profiled this week for her floor work on the Daughters of the Confederacy design patent.

CONTACT PERSON AND
TELEPHONE NUMBER (s):

White House Switchboard

DATE OF SUBMISSION:

July 24, 1993

ACTION: _____

THE WHITE HOUSE
WASHINGTON

03 JUL 23 P2:13

July 23, 1993

RECOMMENDED TELEPHONE CALL

TO: Joel Klein

DATE: July 24, 1993

RECOMMENDED BY: Howard Paster *HP*

PURPOSE: Thank him for helping to coordinate the Ginsburg confirmation effort

BACKGROUND: Joel was part of the vetting team that Bernie Nussbaum used for the Supreme Court candidates. He is a very well respected attorney in D.C. You met him with Bernie in the Oval Office shortly before Ginsburg was selected.

TOPICS OF DISCUSSION: 1. Thank him for his help and tell him what a good job Judge Ginsburg did in her hearings.

CONTACT PERSON AND TELEPHONE NUMBER(S): Joel Klein
h) 202-686-1275
w) 202-775-0184

DATE OF SUBMISSION: July 23, 1993

ACTION: _____

THE PRESIDENT HAS SEEN 7/30

German Health-Care System Hits Snags Amid Problems Similar to Those in U.S.

By MARILYN CHASE

Staff Reporter of THE WALL STREET JOURNAL
BERLIN — *Gesundheit*. The vaunted German health-care system may be catching a cold.

The country's system of universal health insurance, financed by a combination of payroll deductions and employer contributions, is much admired by the Clinton administration as it looks for models to assist America in erasing old health-care inequities.

Now, however, German medicine is witnessing changes never contemplated in the century since Otto von Bismarck created the forerunner of this egalitarian medical system. Padded billing, rising malpractice claims and patient dumping—problems familiar to American medicine—are beginning to pop up here as well. The costs of reunification of East and West Germany have further strained the system. And doctors weaned off the East's old government contract-for-life system are fighting back the American way; they are suing.

Proud of Coverage

Despite such growing pains, German doctors remain fiercely proud of their medical coverage, and its principle of "solidarity," which holds that a manual laborer deserves the same quality of care as a corporate titan at the public's expense.

"If a person needs a heart transplant or a bone marrow transplant in the U.S., you read in the newspapers about people having to raise the money," says Walter Schaffartzik, an intensive-care unit doctor in Berlin. "Here, it's covered."

"You wouldn't understand it," Michael Arnold, professor at Tübingen University, chides an American visitor. "The rich pay for the poor. The healthy pay for the sick. The young pay for the old." Moreover, Germans enjoy health perks such as massage and spa treatments.

Tough Scrutiny

But such amenities cost. Germany's health-care bill comprised 8.1% of its gross national product in 1992. That's lower than the U.S. burden of 14%, but still too much, German experts say. This year, contributions to the sickness funds, which are basically coverage groups, are rising to about 13.4% per employee, up from about 12.2% in 1992, said Dr. Arnold in an interview. As a result, German doctors face tough scrutiny and fines for overprescribing drugs, or deviating from "average" treatment practices.

"The great privilege of our system is that every man and woman can have insurance," says Hans Weitzel, an obstetrician and gynecologist in Berlin. "But it has come to the point that it doesn't work. It is too expensive."

Moreover, Germany now must absorb former East German social welfare programs, which once ate up 70% of the East's GNP. "No economy could stand it," Dr. Arnold says, adding that Germany's total social tab will rise to 33% of GNP from 29% when reunification is complete.

Meanwhile, in the wards and clinics of this recently spliced city, doctors and patients brace for cutbacks and changes in its medical culture.

In the former East Berlin, the Charite

hospital of Humboldt University is weaning patients away from its teeming wards and clinics. Once the site of East Germany's only magnetic resonance imaging (MRI) machine, the Charite was a medical magnet. Its clinics, which staggered under 300,000 outpatient visits in 1989, are being trimmed back to 70,000 patients a year. Its 2,000-bed hospital is being cut to 1,350.

There is no choice. Says medical director Ingrid Reisinger, "This is too much [patient volume] for a teaching hospital." But patients are reluctant to leave the simple and centralized East Berlin care.

East Berliner Norbert Hauße, a 35-year-old bartender, recalls the Charite was like "a factory," but each visit was handled with a simple stamp in his health record book. Since reunification, he sees a private doctor in the West. He likes the system's *gemütlichkeit*, or friendliness, but not its bureaucracy.

"It is very complicated. We do it with many papers, many tickets," he says with a rueful grin.

Suing to Keep Contracts

For such reasons, Dr. Reisinger says, "patients still come to the Charite. They don't trust the new system." Nor do East German doctors. "Even though salary levels are better under the new system," Dr. Reisinger says, "[Doctors] will sue to keep their life contracts."

Traditionally, Germans have expressed a high degree of satisfaction with their care. But these days more patients take their gripes to court. Dr. Weitzel, chief of obstetrics and gynecology at the Free University of Berlin's Steglitz Clinic, finds his annual malpractice insurance premiums have quintupled in recent years to 25,000 marks (\$15,000).

Neonatologist Hans Versmold, who treats fragile premature babies at the Steglitz Clinic, confirms the rush to litigate. "If a baby leaves your office with a handicap, a lawyer is already writing you for copies of the baby's chart," he says. "This is very new."

Rationed care is a major fiscal tool, of course, and its edge was sharpened by reforms enacted Jan. 1. Doctors here are fined for overprescribing drugs or other treatments. Dr. Arnold defends the practice of rationing. "Our rationing system says a doctor's treatment practices must be 50% above average before [he or she] is asked to explain."

One secret of German health-care rationing is simply an acceptance of death, observers say. "Europeans have always viewed death as part of nature," says German-born economist Uwe Reinhardt of Princeton University. "Americans see death as an option."

"When my father had cancer of the pancreas," recalls Prof. Reinhardt, "they did nothing but make him comfortable. No surgery, no chemo (therapy). Just pain medications and food. They said in plain German, 'We will let nature take its course.'"

But many healthier German patients don't like making do with less care. A young Berlin woman, troubled by stress and muscle pains, used to get massages by prescription. But recently, her old doctor was fined for overprescribing massage, and cut her off. The patient sought care elsewhere.

TO HRP
patient
her should be so
bureaucracy - 8.1%
But E. Germany
Müller (can sue)
Lien out - B

Stripped-down reimbursement schemes — which pay doctors as little as eight marks (about \$4.80) for a simple office visit — are driving some German doctors to inflate their office volume, or even to pad their books.

"German doctors work like hamsters in a treadmill," says Dr. Arnold. One Bavarian doctor even claimed to have "worked 27 hours a day on Christmas Eve," Dr. Arnold says. "He was cheating."

With doctors under pressure to pare down their care, Dr. Arnold says there's a danger Germany will experience more patient dumping. One pediatrician recently shipped a seriously infected youngster to the hospital, rather than treat the child at home and face scrutiny. "He feared he might be asked, 'Why did you spend so much?'" Dr. Arnold says. "Last year, he wouldn't have done that."

—Regine Wosnitza contributed to this article.

72

Industry Seeks to Weaken Clinton's Recycling Plan

Amount of Used Fiber in Federal Paper Supply at Issue

By Tom Kenworthy
Washington Post Staff Writer

As the Clinton administration is preparing to issue an executive order on governmentwide recycling policy, a furious behind-the-scenes struggle has erupted between the paper industry and environmental groups over how much recycled fiber should be used in paper bought by the federal government.

The stakes are high for both sides because the government is the nation's largest user of printing and writing paper, and because content standards set in Washington will tend to drive the adoption of similar standards by state and local governments and private industry.

The paper industry, through its American Forest and Paper Association (AFPA) trade group, has launched a vigorous effort to modify the terms of a White House draft proposal that would require federal agencies to purchase paper containing at least 15 percent "post-consumer" material—that is, paper that has been used and discarded.

In its place, the industry wants a looser standard that would require it to recycle less material actually used by consumers and to employ more unused paper and printed scrap—which is easier to process into new paper products because it is not as contaminated as household trash.

The proposed industry standard for federal purchases would require at least 10 percent of the content to come from paper used by consumers or from printed industry scrap and paper products that are manufactured but never actually used, such as unsold magazines returned by distributors.

The 10 percent standard, argued AFPA Vice President Virgil K. Horton Jr., would allow the industry to maximize recycling without being forced into expensive, immediate retooling of manufacturing plants. "It allows us to stay globally competitive, to manufacture the kind of paper that is needed, to maximize the use of recovered fiber from the waste stream and to stay healthy and keep three-quarters of a million workers working," Horton said.

The 15 percent standard, he said, would ironically result in less waste reduction because so many of the industry's integrated paper plants use high-production machines that cannot make paper with more than 10 percent recovered fiber.

But environmentalists charge that the paper industry's proposal fails to attack the problem of overflowing landfills, where paper makes up about 40 percent of deposits.

Given a choice of using post-consumer paper, which is harder to recycle, or of using scrap and unused paper, said several environmentalists, the industry will choose the latter.

"The bottom line is that adoption of anything like the AFPA proposal would actually do nothing more than enshrine the status quo," said Richard A. Denison, a senior scientist at the Environmental Defense Fund.

Denison said the industry-proposed standard would have minimal impact on the landfill problem because about 98 percent of paper that is landfilled is post-consumer material. The paper industry already recovers the majority of manufacturing scrap and unused paper, Denison said, and almost half of the paper currently produced in the United States already meets the 10 percent content standard.

"The big paper companies want to continue to be the roadblock to real recycling where we take materials that would otherwise be buried or burned and convert them into recycled products," said Daniel J. Weiss, political director of the Sierra Club. "Instead, they want to continue business as usual, where they use virgin trees and paper scraps and try to pass that off as recycled."

President Clinton, in an Earth Day celebration speech April 21, promised that he would make the government a leader in using recycled products to set an example and help stimulate the market for recycled materials. Clinton said his executive order "will provide a market for new technologies, make better use of recycled materials and encourage the creation of new products that can be offered to the government, to private companies and to consumers."

Because the government purchases about 300,000 tons annually of printing and writing paper, an aggressive recycled-content standard set by the White House could encourage industry to devote more of its capacity to producing recycled paper. The total annual domestic production of printing and writing paper is about 25 million tons.

"If the president puts his name on something it affects the private marketplace, and we feel he should be very sensitive to that," said Horton of the AFPA.

Clinton has already issued executive orders directing the government to purchase more energy-efficient cars and computers and to buy products using fewer ozone-depleting chemicals. In addition, the Environmental Protection Agency is encouraging its sister agencies to switch to energy-efficient lighting units.

Bobkin
FYI
an effort to
have a turning
at paper is available
at www.ew.com
R.H.

THE WHITE HOUSE
WASHINGTON

1065 7/30

DATE: 7/30

NOTE FOR:

George

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:

Charles D. Ravenel

7/26/93

Dear Mr. President,

The conference on the Budget involves some tough calls. From outside the cauldron it looks to me like this:

- 1) Stick with \$500 Bn. Anything less at this stage will hurt in the markets and hurt worldwide ... And the damage will live.
- 2) If you have to compromise to get it done do it with something other than the total, like timing of tax effect etc.
- 3) This (and health care) is the big enchilada. From what is knowable now, this achievement will dominate your first Administration's reputation .. Now and in history.
- 4) We need to show your expense cuts & date. Joe sixpack has not seen a list of them or charts (nor have I and I read everything). They are not getting through.
I think you're doing great - Pug

*Copy to
Pug
7/26/93*

THE WHITE HOUSE
WASHINGTON

DATE: 07/31/93

TO: THE VICE PRESIDENT
MACK MCLARTY
DAVID GERGEN
GEORGE STEPHANOPOULOS
MARK GEARAN
ROBERT RUBIN

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

The attached has been forwarded
to the President.



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

MEMBER

July 30, 1993

33 JUL 30 P7:39

MEMORANDUM FOR THE PRESIDENT

FROM: ALAN S. BLINDER *AB*
SUBJECT: Foreign Economic Developments

Exchange Rates: The yen and the dollar rose sharply relative to the European currencies including the DM as a result of the crisis in the EMS. The yen also strengthened substantially relative to the dollar.

	Week Ending 7/23/93	Week Ending 7/30/93	Percent change from:	
			Week ago	Year ago
Deutschemark	\$1 = 1.718 DM	\$1 = 1.740 DM	+1.3%	+17.4%
Yen	\$1 = 106.7 Yen	\$1 = 104.95 Yen	-1.6%	-17.8%
Multilateral (1973 = 100)	94.64	95.49	+0.9%	+16.0%

Crisis in the EMS: Speculative pressures intensified this week following Thursday's decision by the Bundesbank to cut the Lombard rate (the ceiling for money market rates) only from 8.25% to 7.75% while leaving the discount rate (the floor for money market rates) unchanged. Market participants had expected a more decisive easing. The Bundesbank Council is not scheduled to meet again until August 26.

Following the Bundesbank's announcement, renewed speculative pressures pushed several currencies toward their lower limits within the ERM despite massive intervention by the Bank of France, the Belgian, Danish, Spanish, and Portuguese central banks as well as the Bundesbank. There is widespread speculation about possible changes in the EMS this weekend. The German government confirmed late today that talks regarding the currency crisis are underway with the French authorities "at all levels." French overnight interest rates reached 30% today. Despite all this, French Prime Minister Balladur said today that the ERM rules are "functioning well".

Japan: ► The Japanese economy showed signs of continued weakness casting doubt on the previous view that Japan was perking up. June retail sales were down 4.8% from a year ago. A key labor market indicator, the ratio of job offers to job seekers, fell in June to its lowest level since September 1987. Auto exports in the first half of 1993 were at their lowest level since 1979. Some positive signs came from industrial production, which rose in June by 1.3% relative to May; but it is down 5.1% from a year ago. Also consumer confidence rose in the second quarter for the first time since 1991:1.

Europe: ► French unemployment increased to 11.6% in June from 11.5% in May.

► German plant and machinery orders were 9% lower in the second quarter than a year ago. Consumer confidence rose slightly in June.

EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL OF ECONOMIC ADVISERS

WASHINGTON, D.C. 20500

July 30, 1993

33 JUL 30 P7:39

MEMORANDUM FOR THE PRESIDENT

FROM: ALAN S. BLINDER, MEMBER *AB*

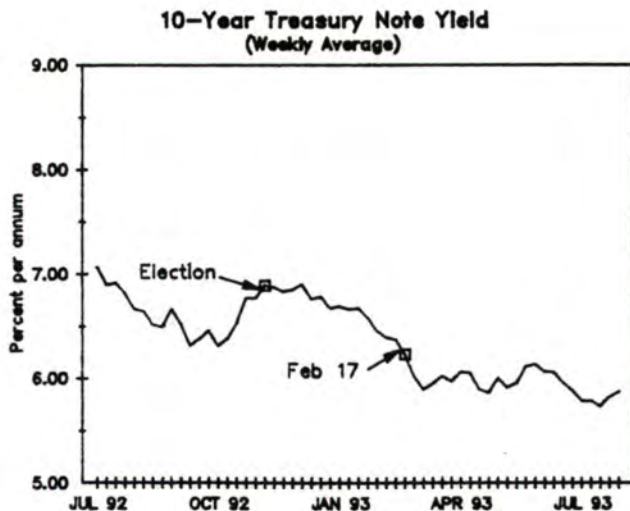
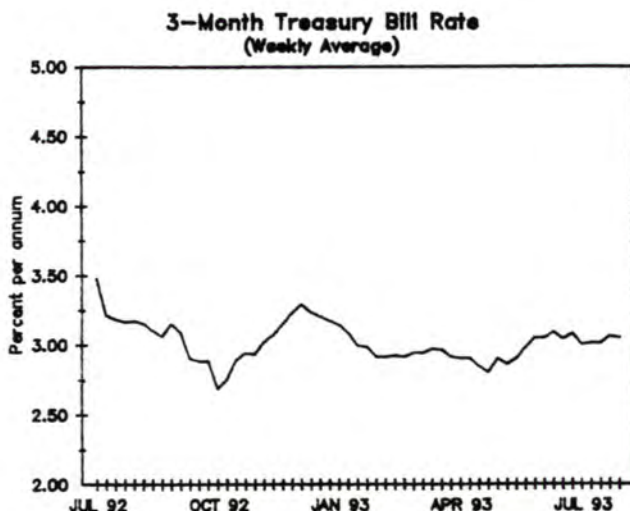
SUBJECT: Interest Rates and the Stock Market, Week Ending Friday, July 30, 1993

Bond yields fell sharply this week, especially at the long end. Most of the declines came on Thursday, following release of the GDP report, which allayed fears of an imminent Fed tightening. Changes in Treasury borrowing rates over the week were as follows:

	Close 7/23/93	Close 7/30/93	Change
3-month bills	3.16	3.10	-0.06
10-year bonds	5.95	5.83	-0.12
30-year bonds	6.71	6.57	-0.14

The stock market closed virtually unchanged for the week. The S&P index closed Friday (July 30) at 448.13, up 0.2 percent from the preceding Friday's close. The Dow Jones Industrial Average broke last week's record, reaching a new all-time high on Monday, but fell 0.2 percent over the week to close at 3539.47.

NOTE: Since Chairman Greenspan has stated that the Fed no longer uses the monetary aggregates to guide policy, we will no longer report weekly money supply numbers in this memo.



THE WHITE HOUSE
WASHINGTON

Mon

DATE: 7/31

NOTE FOR:

Greg Simer, Jack Gibbons
Tom Kaine

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:



OFFICE OF THE VICE PRESIDENT
WASHINGTON

THE PRESIDENT HAS SEEN 7/30

July 30, 1993

INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM: GREG SIMON (for the Vice President)

SUBJECT: MEETING WITH SEN. HOLLINGS

The Vice President spoke by phone yesterday with Sen. Hollings regarding funding for the new immigration policy and the Administration's support for the Commerce Department's technology programs and specifically S. 4, the National Competitiveness Act of 1993. Hollings was very supportive of the immigration policy and will help us fund it.

On technology, the Vice President assured Hollings that we will vigorously support S. 4 and the development of the civilian technology programs at the Department of Commerce. We also are strongly communicating our opposition to those parts of Sen. Johnston's Energy Department bill, S. 473, that broaden the role of the national labs beyond their primary missions of energy, defense and basic science.

Dr. Gibbons has developed language to express the Administration's position on both bills after talking with Hollings and the Vice President and after consultation with Sec. O'Leary and Sec. Ron Brown. In addition, the Vice President promised to speak to Mitchell regarding our support for S. 4 and about opposing attempts to increase funding for the labs through S. 473 or increase funding for defense technology programs beyond our request in the defense authorization bill. Hollings views these funding issue as the way for Energy and DOD to circumvent our priorities in developing a civilian technology program at Commerce and wants us to be diligent.

I'm not sure I agree w/ this.
In campaign we advocated larger
role for the labs in civilian - what
does the Clinton bus say -

THE WHITE HOUSE
WASHINGTON

Cron

DATE: 7/31



NOTE FOR: *Howard Paster*

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

Information ☒
Action ☐

Thank you.

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



cc:

[Faint, illegible handwritten notes in the bottom right corner]

THE WHITE HOUSE

WASHINGTON

DOCUMENT HAS BEEN SEEN 7/30

July 30, 1993

RECOMMENDED TELEPHONE CALL

TO: Senator Nancy Landon Kassenbaum (R-KS)
202-224-4774

DATE: July 30, 1993

RECOMMENDED BY: John Podesta *JLP*
Howard Paster *HP by TK*

PURPOSE: To thank her for her vote in favor
of Dr. Elders.

BACKGROUND: Dr. Elders was favorably reported from the
Labor Committee this morning by a vote of
13-4. Senator Kassebaum, the ranking member,
gave an emotional statement concluding with
her view that Dr. Elders deserved a chance to
talk to and reach young people who other
leaders could never hope to reach. Senator
Coats at the end of the hearing buttonholled
Kassenbaum and expressed his extreme
displeasure with her vote.

TOPICS OF DISCUSSION:

1. Thank her for her vote.
2. Let her know that you are aware she was
under great pressure to go the other
way.
3. Talk about the personal commitment and
strength Dr. Elders brings to the job.

CONTACT PERSON: John Podesta
x2702

ACTION:

We can't have a decision
very hard to delay from Sen. Voth
to Sept just bec. of an other business

Senators Durenberger and Jeffords (by proxy) voted in favor.

THE WHITE HOUSE
WASHINGTON

6/10/04

DATE: 7/31



NOTE FOR: *George*

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

Information



Action

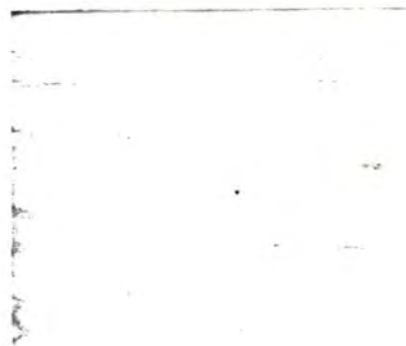


Thank you.

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



cc:



THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS SEEN

7/30

July 30, 1993

MEMORANDUM FOR THE PRESIDENT

FROM: BILL GALSTON (WAG)

SUBJECT: STUDENT LOANS

During your campaign for President, you promised America's young people a chance to repay their college loans either through service or through a small percentage of income over time. With last night's House/Senate conference agreement on direct lending, the Congress has taken a major step toward turning the your pledge into reality.

You promised change that helps average Americans and their families. With last night's agreement--the most significant change in higher education finance in decades--you are delivering change that truly puts people first.

You promised to break gridlock and get this country moving. Last night's agreement does just that, through bipartisan cooperation and sensible compromise between the House and Senate. (Senator Jeffords and Senator Durenberger supported the final compromise agreement.)

Students will have a variety of loan repayment options, including repayment as a small percentage of income over time--just as you promised during the campaign. This will encourage national and community service by allowing students just out of college or professional school to choose lower-paying service jobs if they wish. And it will ease the burdens of young couples who are just starting families.

Under the terms of this agreement, we will move swiftly toward a "direct lending" system based on lower-cost public capital: 5 percent of loan volume in FY 1994, 40 percent in 1995, and a minimum of 50 percent in 1996 and 1997. By FY 1998, the final year covered by this plan, a minimum of 60 percent of all student loans will be covered by your plan.

The percentages specified in the last three years of the agreement (FY 1996-1998) are floors, not limits. As early as FY 1996, most institutions of higher education could be participating in this new system. The better managed the program is, the faster it will grow.

GS-FH
Need to really push
this to get sure we can
implement strategy

93 JUL 30 A10:43

While the precise numbers are still being worked out, the savings from the government's lower cost of capital will be shared with students through lower fees and interest rates. This means reduced financial burdens for all students, regardless of which repayment option they choose.

You have frequently criticized the excess profits made by banks and other financial intermediaries in the current system. The new system squeezes the excess out. At the same time, it retains enough incentives to keep key players in the system during the transition from guaranteed to direct lending.

Finally, the House/Senate agreement represents responsible government. It makes adequate provision for the administrative infrastructure--personnel and information systems--needed to manage this new program effectively. And it offers carefully crafted backup systems to deal with a wide range of financial and management contingencies.