

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. list	re: Table of Contents (1 page)	11/01/1993	b(6)

COLLECTION:

Clinton Presidential Records
Staff Secretary
John Podesta (Chron Files)
OA/Box Number: 2242

FOLDER TITLE:

November 1-6, 1993 [1]

2018-0662-S

rs3074

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]

11/6/93

- (4) White House press releases, statements and transcripts of questions and answers with the press concerning the Travel Office issue and the release of the Management Review.
- (5) Personnel and performance records for the seven Travel Office personnel who were "fired", including appointment documents, resumes or applications, position descriptions, performance appraisals for the past three years, records of bonuses or awards, retirement applications (for those eligible who have applied), current pay levels, notification of termination and letters of resignation, records of reinstatement, and authorization of administrative leave.
- (6) Resumes or application documents, appointment documents, and copies of financial disclosure filings under the Ethics in Government Act for Mr. William Kennedy, Mr. David Watkins, Ms. Catherine Cornelius, Ms. Clarissa Cerda, and Mr. Jeff Eller.
- (7) Information about the administrative organization of the White House on May 1, 1993, including the relationship of the Travel Office to other White House organizations for purposes of oversight and financial management; and a copy of the current White House telephone directory.
- (8) Documents generated in the White House concerning the firings of the White House Travel Office employees, including memoranda, correspondence or other records, including computer or electronic mail records.
- (9) Policy statements concerning ethics and conflict of interest which apply to White House employees.
- (10) Contracts, records, memoranda or other documents pertaining to the decisions to use the services of World Wide Travel and Ms. Penny Sample to manage travel for the White House upon the departure of the Travel Office employees.
- (11) Records (incoming correspondence, notes, telephone call notes, internal memoranda, or computer records or electronic mail) indicating problems with or complaints about the operations of the White House Travel Office.
- (12) Documents, memoranda or other records which identify the tasks, assignments or roles to be carried out for the White House officials by Mr. Harry Thomason and Mr. Darnell Martens.

- (13) Procedures for the granting of temporary White House access passes, and documents or other records related to the granting of such passes to Mr. Harry Thomason and Mr. Darnell Martens.
- (14) White House policy statements issued at any time since January 20, 1993, which describe policies and procedures for interactions or contacts between White House employees and (a) the FBI, and (b) the Internal Revenue Service (IRS). Also, copies of White House policy statements issued by past administrations on these matters.
- (15) Documents, correspondence, internal memoranda, telephone logs or records of discussions, or other records, including computer records or electronic mail, describing or recording contacts between White House personnel and personnel employed by the FBI or the IRS concerning the White House Travel Office.
- (16) Drafts of press statements prepared by the FBI and received by the White House concerning the White House Travel Office.
- (17) Records concerning the decision to engage the accounting firm of KPMG Peat Marwick to conduct a review of the operations of the White House Travel Office, including decision memoranda or other records including computer records and electronic mail, contracts or requests for services, and copies of invoices and payments made in connection with the agreement to provide services.
- (18) Records, including written documents, computer records and electronic mail, made by White House officials concerning meetings or telephone discussions with officials of (a) the FBI, (b) the IRS, or (c) the Department of Justice, concerning the White House Travel Office.
- (19) Correspondence received from members of Congress concerning the White House Travel Office, and related responses.
- (20) Documents prepared by the Office of Management and Administration which mention the White House Travel Office or its management, its future as assessed for or with the National Performance Review, or its future as assessed in the context of the President's proposed 25% cut in White House staff.

Those requests above which seem to us to cover topics which may include both written documents, as well as computer and electronic records, are noted, but should computer or electronic records be identified as pertinent to any other information described, this

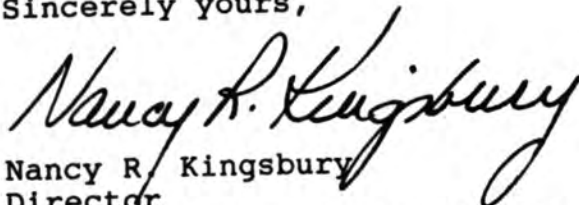
request should be interpreted to include computer or electronic records.

We would be happy to meet with you to discuss procedures for our review and, as necessary, copying of the above-described records. In addition to reviewing records, it will be necessary for us to interview the individuals identified in the attached list. It is our intention to arrange a schedule which is mutually convenient. Also, as we informed you on Friday, August 13, 1993, we have notified the director of the Washington office of the accounting firm of KPMG Peat Marwick of our need to meet with them and review records pertinent to their review of the White House Travel Office and to meet with staff who participated in the review. As their "client" in this matter, we would appreciate your action to encourage them to meet with us promptly.

Finally, we previously requested information on the status of the White House's action on an anonymous written allegation lodged with the GAO Hotline which was referred to the White House Legal Counsel's office in December 1988. We assume you are working on a response to that request.

As other matters arise in our work which require additional information from White House officials or records, we will notify you promptly. Thank you for your assistance in our review.

Sincerely yours,



Nancy R. Kingsbury
Director
Federal Human Resource Management Issues

Enclosure: List of White House Officials for Interviews

White House Staff to be Interviewed

Thomas McLarty, Chief of Staff

Leon Panetta, Director, Office of Management and Budget

David Watkins, Assistant to the President for Management and Administration

Patsy Thomasson, Special Assistant to the President for Management and Administration and Director of the Office of Administration

Bernard Nussbaum, Counsel to the President

William Kennedy, Associate Counsel to the President

Mark Gearan, Director of Communications

Dee Dee Myers, White House Press Secretary

Catherine Cornelius, Special Assistant to the Assistant to the President for Management and Administration

Clarissa Cerda, Special Assistant to the Assistant to the President for Management and Administration

Jeff Eller, Deputy Communications Director

John Podesta, Assistant to the President/Staff Secretary

Todd Stern, Assistant to the President/Deputy Staff Secretary

Tom Hufford, Financial Assistant

Brian Foucart, Deputy to the Assistant to the President for Management and Administration

Chris Vein, title unknown

Barbara Yates, title unknown

Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
THE CHIEF JUSTICE

March 23, 1993

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

Dear Mr. President:

On behalf of the Judicial Conference of the United States, I am forwarding the names of six judges for your consideration to serve on the United States Sentencing Commission. Section 991(a) of title 28, United States Code, establishes the United States Sentencing Commission as a permanent, auxiliary judicial branch agency with the principal duty of developing and periodically revising sentencing guidelines for the federal court system. The law provides that at least three of its members shall be federal judges selected by the President after considering a list of judges recommended by the Judicial Conference.

Currently, two vacancies exist on the seven-member commission. The term of Judge George E. MacKinnon expired on October 31, 1991, and a successor judge-member has not been appointed. Although three of the current commissioners are federal judges, one of those members, Judge Julie E. Carnes, was appointed to the commission before she was appointed to the bench. Accordingly, under the terms of the statute one judgeship vacancy exists because Judge Carnes was not a federal judge selected by the President after considering a list of judges recommended by the Judicial Conference.

Because for some time now the Commission has operated shorthanded, and because the law requires that in some actions the Commission act with the concurrence of four of its members, I urge timely action on this matter. The Judicial Conference has approved submission of the following six judges to you, including three Democrats and three Republicans because the law requires that no more than four members be affiliated with one political party.

Democrats:

Honorable Avern Cohn
United States District Court
Eastern District of Michigan

Chen
TAN Piercing
where are
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this
To Howard
11/6/93

The President
Page Two
March 23, 1993

Honorable William B. Enright
United States District Court
Southern District of California

Honorable Barbara J. Rothstein
United States District Court
Western District of Washington

Republicans:

Honorable Maryanne Trump Barry
United States District Court
District of New Jersey

Honorable John C. Coughenour
United States District Court
Western District of Washington

Honorable Roger L. Wollman
United States Court of Appeals
Eighth Circuit

Please be assured that these judges also have my personal endorsement.

I also note that the term of the current Commission Chairman, Judge William W. Wilkins, Jr., expires at the end of October, 1993. (See enclosed fact sheet describing the composition of the Commission). At a later date, I will be submitting on behalf of the Judicial Conference another list of judges for consideration in filling this expected vacancy. In that regard, the Judicial Conference passed a resolution at its meeting on March 16, 1993 urging that you appoint a federal judge as Chairman of the United States Sentencing Commission upon vacancy of that position.

Finally, I would appreciate your letting me know when a replacement selection has been made.

Sincerely,

A handwritten signature in dark ink, appearing to read "William W. Wilkins, Jr.", written in a cursive style.

Members of the U.S. Sentencing Commission as of March 1993

<u>Judge Members</u>	<u>Term Expiration</u>	<u>Political Party Identification¹</u>
William W. Wilkins, Jr., Chairman, ² of South Carolina U.S. Court of Appeals, Fourth Circuit	October 31, 1993	Republican
A. David Mazzone ² of Massachusetts U.S. District Court, District of Massachusetts	October 31, 1995	Democrat
Vacancy ² [vice George E. MacKinnon, term expired October 31, 1991]	October 31, 1997	_____
<u>Other Members</u>		
Ilene H. Nagel of Maryland	October 31, 1993	Republican
Julie E. Carnes ³ of Georgia U.S. District Court, Northern District of Georgia	October 31, 1995	Democrat
Michael S. Gelacak of Virginia	October 31, 1997	Democrat
Vacancy [vice Helen G. Corrothers, term expired October 31, 1991]	October 31, 1997	_____

¹The statute, 28 U.S.C. § 991(a), requires that no more than four members may be of the same political party.

²Appointed to the Commission upon recommendation of the Judicial Conference.

³Judge Carnes was appointed an Article III judge in 1992 subsequent to her appointment to the Sentencing Commission in July 1990 as a non-judge member. Although she continues to serve on the Commission, because she was not appointed to the Commission as a judge upon recommendation of the Judicial Conference, her service on the Commission may not be considered in satisfaction of the requirement of 28 U.S.C. § 991(a) that the Commission consist of at least three judges "selected after considering a list of six judges recommended to the President by the Judicial Conference of the United States."



Chor.

3 SEP 13 P1:38

DEPARTMENT OF ELECTRICAL ENGINEERING AND COMPUTER SCIENCE

September 9, 1993

Mr. John Podesta
The White House
Washington, DC 20500

*Mike Nelson
Have you read
the program yet?*

Dear John:

As you are aware, there is still substantial disagreement between the Administration's estimates of costs related to the key escrow proposal and estimates by many in the private sector. Indeed, I've pointed out some of the problems in the process in the enclosed article, "Clipping Clipper", from the September 1993 issue of Communications of the Association for Computing Machinery.

*JD
11/6/93*

In an attempt to create a common field of discussion, some students and I have developed a mathematical model which should be usable by all parties to the debate. The model is implemented as an Excel spreadsheet with user-friendly features that should make it easy to use by policy makers who are not technologically oriented. You can set values to your best estimates. Those who know Excel can add additional variables or delete irrelevant ones at will.

I am enclosing a manual for the beta test version of the model and both Macintosh and IBM-PC diskettes. The values supplied on the diskette are not a part of the model, and are not necessarily accurate; they are there to illustrate the use of the model. You should feel free to change them.

I'd be interested in your reactions after using the model, and any suggestions you have for its improvement.

Sincerely,

Lance

Lance J. Hoffman
Professor

Enclosures (manual, 2 diskettes, CACM article)

VIEWPOINT

The FBI is becoming increasingly worried that the U. S. is technologically close to having effectively unbreakable encryption available to individuals. This will eliminate the Bureau's capability to listen in on specific telephone conversations, even with a court-authorized warrant under existing wiretap legislation. In 1991, it pushed legislation to require significant changes in computer hardware, software, and communications equipment so agents could maintain these capabilities in the increasingly digital telephone network [21]. But opposition by computer and communications companies, professional societies, the civil libertarians convinced the Senate to remove the provision from its crime bill. Last year, not one member of Congress was willing to introduce legislation requiring telecommunications providers to turn back the clock and redesign the emerging digital telecommunications system so that the FBI could, at some considerable economic cost to all users, continue to tap, under court order, certain digital communications [5].

Now the FBI and its allies in the intelligence community have persuaded President Clinton to pursue a course which, if not reversed, may achieve the same goal by effectively building "Big Brother" capabilities into the computer/telephone network of the future with the "Clipper" chip, an encryption device with applications in telephones and other computer network peripherals [10, 12, 23].

The Clipper encryption method [3] requires escrowing of user encryption keys with two trusted au-

CLIPPING CLIPPER



thorities, not announced as of this writing. One might anticipate the government will compound its surprising move with Clipper by selecting two in-government, executive-branch entities as the escrow agents. If it does so, there will be further erosion of the power of Congress to establish public policy.

One could, of course, ask whether escrow technology will be accepted by computer users who can get the real thing elsewhere. Encryption is available around the world without the burden of key escrowing—



Lance J. Hoffman

preliminary survey results from the Software Publishers Association revealed 143 non-U.S. and 133 U.S.-based cryptographic products, many providing DES [14] and/or RSA [18] capabilities. Moreover, encryption software (including DES and RSA algorithms and the user-ready and popular Pretty Good Privacy (PGP) [25] secure message system) is freely downloadable from public networks around the world [19].

Encryption is becoming increasingly important. Persons who wish unescrowed confidentiality—both law-abiding persons and criminals—will find and use other encryption schemes to protect information they wish to keep secure. After all, it is not hard to superencrypt messages with one's own software or hardware encryption first, not registering any key with any authority, and very possibly using an imported device (or software) from another country. Increasingly, travelers use telephones to communicate information between workstations they have never seen before as well as their home or office computers; the threats of eavesdropping and falsification are much greater than in years past [6]. These persons can't be expected to trust a U.S.-developed standard whose algorithm is secret if they can instead turn to cryptosystems available elsewhere with an algorithm that has faced public scrutiny and whose keys are completely under control of the user.

The only way a government can prevent this is by outlawing the use of encryption methods which are not readable by the government. The administration admits this is a fundamental policy question which "will be

much less to do if an increasing amount of traffic will be encrypted well enough to defy effective decryption by them.

Better answers will emerge if respected organizations such as the National Academy of Sciences and the Office of Technology Assessment are given the opportunity to analyze the issues carefully.

There are meritorious alternatives to Clipper. For example, Silvio Micali of MIT has proposed a multikey escrow capability in which multiple trusted parties authenticate a message and/or allow eavesdropping [11]. The parties can be selected by the message sender or jointly by the sender and the other party (as with current escrow agents). Without a choice of alternatives, many persons who are eager to develop and use the emerging information infrastructure—"digital superhighways" and other forward-looking projects of Vice President Gore—will turn away from those projects. The full potential of the network and the Vice President's vision will never be realized.

The Computer System Security and Privacy Advisory Board, created by the Computer Security Act of 1987, called for such a full, public national review of cryptographic policy in March 1992. It, too, is queasy with the Clipper initiative. On June 4, 1993, it passed a resolution that stated:

"Key escrowing encryption technology represents a dramatic change in the nation's information infrastructure. The full implications . . . are not fully understood at this time. Therefore, the Board recommends that key escrowing encryption technology not be deployed beyond current implementations planned within the Executive Branch, until the significant public policy and technical issues . . . are fully understood."

NIST has not (ever) taken any significant action on the cryptographic policy suggestions of this national statutory board whose basic mission is to be alert for latent public policy issues related to computer and communications technology.

By the time you read this, the gov-

ernment policy "review" may be close to completion. Computer professionals have a special obligation to let their senators and member of Congress (as well as other key legislators⁶) know of the profound negative impacts of such a rush to judgment, and to urge them to defer this initiative. Copies of those communications should also be sent to the President (whose email address is president@whitehouse.gov), the Vice President (whose email address is vice.president@whitehouse.gov), and to NIST which is the official government spokesman on the issue through its deputy director, Raymond G. Kammer, (kammer@nist.nist.gov). □

References

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Lance Hoffman is a professor in the department of electrical engineering and computer science at The George Washington University in Washington, D.C.

Beta Version

TurboTrade
A National Information Infrastructure
Cost/Risk/Benefit Model

Beta version
28 July 1993

Dave Kohls
Department of Electrical Engineering and Computer Science
School of Engineering and Applied Science
The George Washington University
kohlsd@seas.gwu.edu

1.0 Introduction

TurboTrade is a computer model designed to help investigate the cost vs. risks vs. benefits for issues related to the National Information Infrastructure. Issues addressed include digital telephony, export controls of cryptography, the proposed key-escrow data security device (nee Clipper Chip), implementation of security features in communications hardware, etc. **TurboTrade** has been designed to allow the user to select and vary parameters for a number of issues, and to calculate cost, risk, and benefit values.

The model uses Microsoft Excel v4.0. The author expects that the user of the model will have at least rudimentary knowledge of Excel. More experienced users can bypass many of the menu screens, if desired, and modify the spreadsheet directly.

TurboTrade was developed for Lance J. Hoffman by Dave Kohls at the George Washington University, School of Engineering and Applied Science, Washington, D.C. **TurboTrade** is based on original work by Lynn Keuthan.

2.0 Hardware Requirements

TurboTrade was developed on an AST 486/33TE, with 8 MB of RAM, running Digital Research DRDOS v6.0, Microsoft Windows v3.1, and Microsoft Excel v4.0.

TurboTrade has also been tested on a Macintosh Powerbook 170 (Macintosh Laptop), with System Software 7.0.1 and 8 MB of RAM, and a Macintosh Quadra 950 with System Software 7.0.1 and 48 MB of RAM.

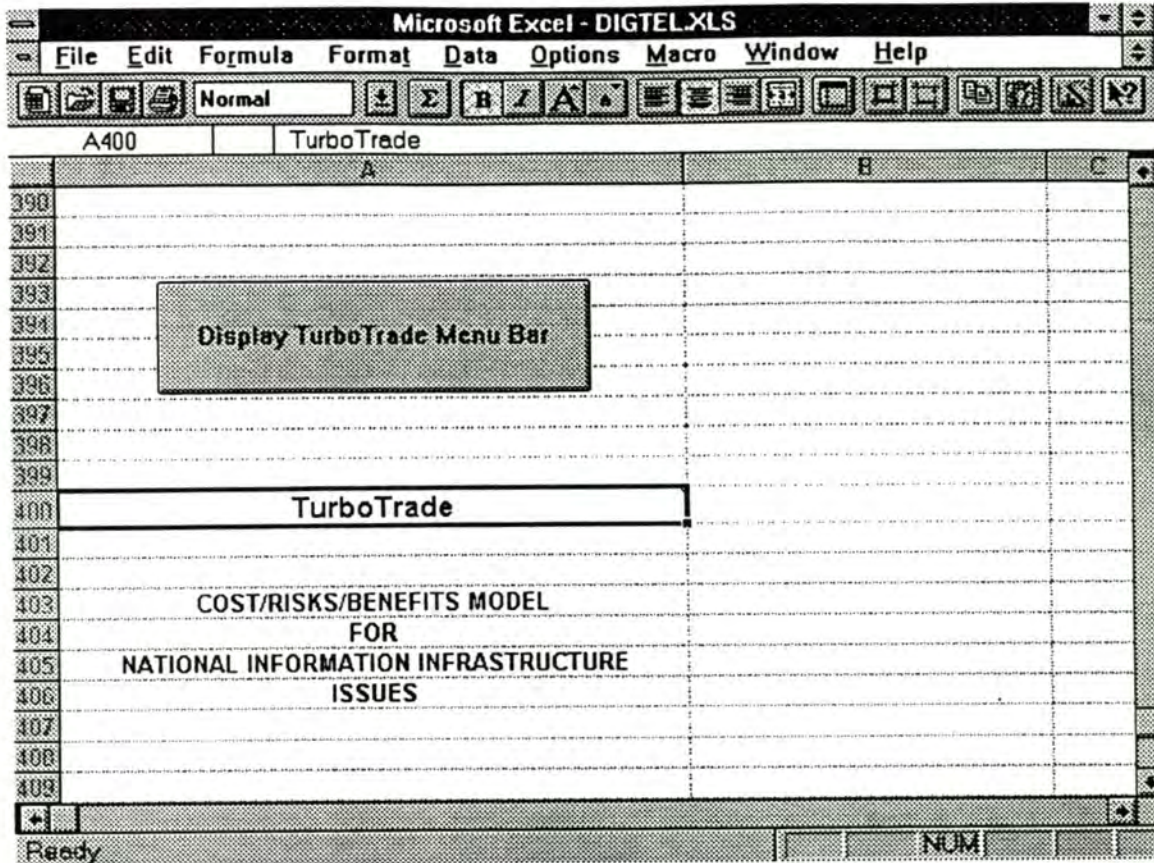
Initial testing indicates that **TurboTrade** will run without error on the Macintosh platforms. Alpha testing identified some problems with user-interface displays; this version of **TurboTrade** allows the user to specify the hardware configuration to allow for differences in displays between the Macintosh platforms and the MSDOS platforms.

TurboTrade was designed to run under Microsoft Excel v4.0 for Windows. The software has not been tested under earlier versions of Excel, nor for non-Windows versions of Excel (with the exception of the Macintosh-based version 4.0). It is known, however, that the spreadsheet created with Excel v4.0 has a format different from a spreadsheet created with Excel v3.0. It is thus strongly recommended that Excel v4.0 be used.

Minimum hardware requirements are therefore those necessary to run Windows and Excel v4.0 (or the Macintosh equivalent).

Beta Version

DIGTEL.XLS should open to cell A400. If the highlighted cell (denoted by a black border around the cell) is not cell A400, then scroll to and click on cell A400. Once the files are loaded and maximized, your screen should look like this:



3.2 Changing and Selecting Parameters

Click on the **Cost** heading on the custom menu bar to display the **Cost** options. You will see several different selections from which you may choose. Click on the first option, **A Priori Tap Costs**. A new screen is presented which lists a series of parameters to select and/or modify. Also present in the dialog box are check boxes to select/deselect parameters.

Microsoft Excel - DIGTEL.XLS

Costs Risks Benefits Run File Options Update Quit

A Priori Implementation of Phone Switch Tap Capability

Parameter Values

Number of Switches in U.S.
10000

Added Cost per Switch
45000

One-time Design/Dev. Cost, per Switch
88000

Number of Vendors
7

Operation - Added Staff Years per Switch
0.75

Avg. Annual Labor Cost per Operator
77099

Parameter Selection

☒ Total Switch Cost

☐ 5-year Amortization of Switch Cost, Total

☒ 5-year Amortization, Per Year

☐ Total One-Time Design/Dev. Cost

☒ Total Operating Cost

Tap Utilization

Cost of Investigation
40000

Cost of Evidence Acquisition
80000

Cost of Prosecution
120000

Cost of Incarceration
135000

Utilization Parameter Selection

☒ Cost of Investigation

☒ Cost of Evidence Acquisition

☐ Cost of Prosecution

☐ Cost of Incarceration

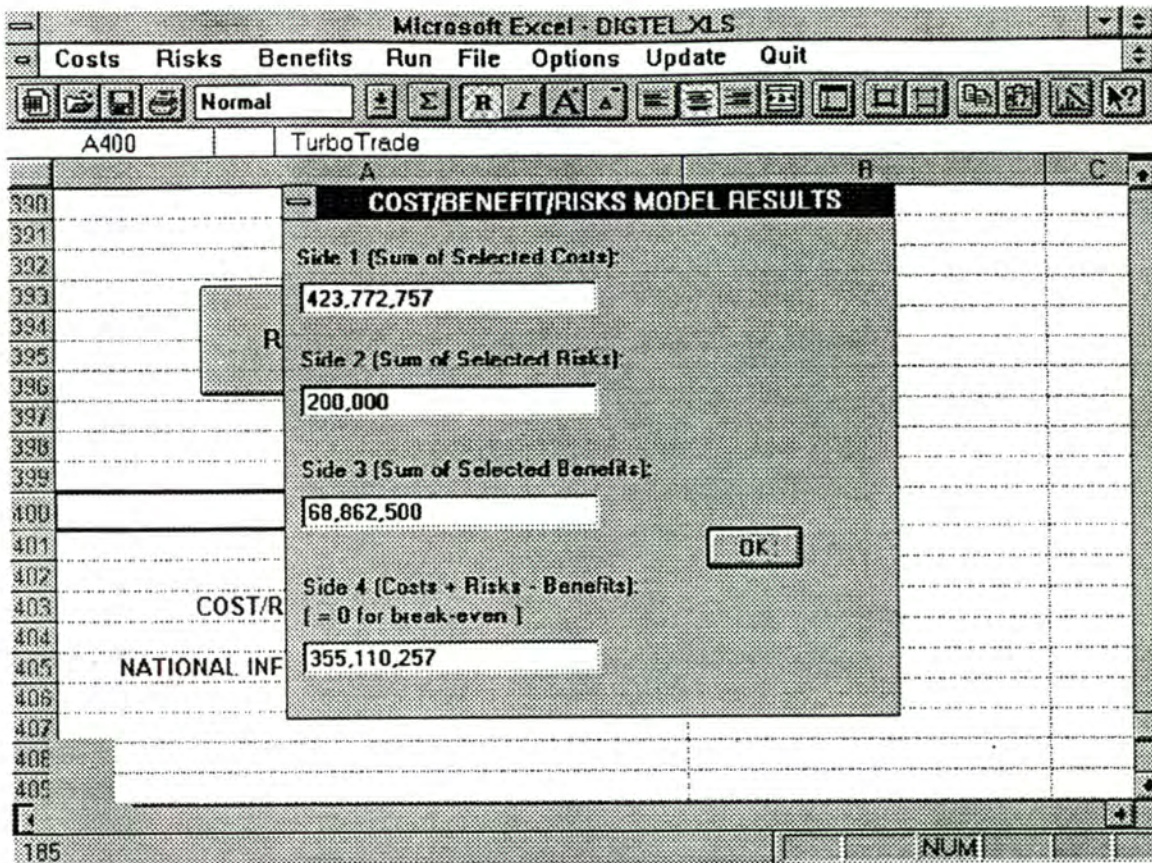
OK Cancel

In this example the parameters **Total Switch Cost**, **Total Operating Cost**, **Cost of Investigation**, and **Cost of Evidence-Acquisition** are selected. Also note that **5-year Amortization, Per Year** is selected. You may select either **5-year Amortization, Per Year** or **5-year Amortization of Switch Cost, Total**, but not both.

You may either use the mouse to select/modify a field, or you may use the **Tab** key to move through the fields. When you have finished modifying/selecting the parameters, click on **OK** to accept the changes or **Cancel** to abandon them.

Similarly you may select/modify parameters for other **Cost**, **Risk**, and **Benefit** records.

TurboTrade will calculate the sums and present the results (this will take up to two minutes, depending on hardware). The screen will look like this:



You may modify parameters and run **TurboTrade** to evaluate different scenarios. Remember to update the spreadsheet before each calculation.

At any time you may recall the results of the last calculation by selecting the **Run** menu heading and choosing **Display Cost Model Calculation Results**.

restore and click **OK**. After the new file is opened (the screen will probably not look anything like your previous worksheet), select **File** from the menu and choose the last entry, **Restore this File** (with a comment). **TurboTrade** will restore the old file settings update the spreadsheet (this will take up to three minutes, depending on hardware).

After the spreadsheet has been restored, you may select/modify any parameters and make calculations as before.

3.7 Miscellaneous Features

3.7.1 Recalling the Results of the Last Calculation

At any time you may recall the results of the last calculation by selecting the **Run** menu heading and choosing **Display Cost Model Calculation Results**.

3.7.2 Making a Note

TurboTrade allows you to attach a note or short narrative to any cell in a spreadsheet. This would be handy, for instance, to remind yourself of a certain formula used, or to record parameters for a particular "issue."

To do this, click on the cell you wish to annotate and type **Shift-F2**. You may then type in your note and save it.

A note attached to a cell is indicated by a small (red) box in the upper right hand corner of the cell.

To edit or remove a note from a cell, double-click on the cell to get the menu box. You are then prompted for actions.

A reminder of these procedures is available under the **File** heading, **Make a Note** option.

3.7.3 Changing the Screen Drivers

TurboTrade provides custom user screens for MSDOS (VGA and SVGA), Macintosh Quadra, and Macintosh Powerbook platforms. If the user screens do not look right to you (e.g. some parameters are missing or text is cut off), it is possible that a different set of drivers will correct the problem.

To change the screen drivers from within **TurboTrade**, choose the **Options** menu and click on **Select User Equipment**. Choose the appropriate equipment and **OK**, and **TurboTrade** will make the changes.

NOTE: You should update the spreadsheet after changing the screen drivers to ensure that all your data is retained.

The format of the **TurboTrade** parameter entry (i.e. row) in **DIGTEL.XLS** is as follows:

Column	Function
A	Header
B	Parameter/variable name
C	Metric
D	Boolean (to select parameter)
E	= 1
F	Indicator of Category (cost = 1, risk = 2, benefit = 3)
G	reserved
H	reserved
I	reserved
J	reserved
K	Nominal value
L	Line number

You may insert a new parameter by following this format. Column L (line number) must be extended sequentially from the last value at least as far as the new parameter.

If parameters are added below line 336 (absolute address) in **DIGTEL.XLS**, then corresponding cells (specifically B14) in **DIGTEL.XLM** must be altered as well.

John 11/6

29 05 29

John, Do you want to add
anything special to this guy?
Otherwise, I will send out.
Please return. Thanks.
Maurice
Kudor

DRAFT

P3:24

October 28, 1993

Mr. Ron Chapman
"Point of View"
The St. Bernard Voice
3500 Buffon Street
Chalmette, LA 70043

RE: FOIA Request for Travel Office and Usher's Office

Dear Mr. Chapman:

Bernard W. Nussbaum, Counsel to the President, asked me to reply to your October 26, 1993 letter requesting documents related to the White House Travel Office and White House Usher's Office. Your request is based on the Freedom of Information Act (FOIA), 5 U.S.C. § 552.

The FOIA applies only to records maintained by "agencies" within the Executive Branch. See 5 U.S.C. § 552(f). The Office of the President, including the President's immediate personal staff and units in the Executive Office whose sole function is to advise and assist the President, is not an "agency" for the purposes of FOIA. Thus, the White House is not an "agency" for the purposes of FOIA. Consequently, FOIA does not establish a statutory right to the documents that you have requested from the Office of the President.

Sincerely,

Marvin Krislov
Special Counsel to the President
Office of the Counsel to the President

MARVIN
10/30/93
I'll get
him a copy of
the Travel
Office's response
to your request
13 time

Ron Chapman
"Point of View"
The St. Bernard Voice

3500 Buffon Street
Chalmette, LA. 70043

Ph: (504) 277-6526
FAX: (504) 279-3282

FOI Officer
The White House
Washington D.C.
20500

10/26/93

FOIA Request

Dear FOI Officer,

Pursuant to the federal Freedom of Information Act, 5 U.S.C. § 552, I request access to and copies of all records relating to the White House Travel Office and the White House Usher's Office from December 1992 to Present.

I agree to pay reasonable duplication fees for the processing of this request in the amount not exceed \$100. However, please notify me prior to your incurring any expense in excess of that amount.

As a representative of the news media I am only required to pay for the direct cost of duplication after the first 100 pages. Through this request, I am gathering information on the White House Travel Office and White House Usher's Office that is of current interest to the public because of the continuing questions regarding operations in these agencies. This information is being sought on behalf of *The St. Bernard Voice* for dissemination to the general public.

Please waive any applicable fees. Release of the information is in the public interest because it will contribute significantly to public understanding of government operations and activities.

If my request is denied in whole or part, I ask that you justify all deletions by reference to specific exemptions of the act. I will also expect you to release all segregable portions of otherwise exempt material. I, of course, reserve the right to appeal your decision to withhold any information or to deny a waiver of fees.

As I am making this request as a journalist and this information is of timely value, I would appreciate your communicating with me by telephone, rather than by mail, if you have questions regarding this request. I look forward to your reply within 10 business days, as the statute requires.

Thank you for your assistance.

Very Truly Yours,



Ron Chapman
"Point of View"
The St. Bernard Voice

Ron Chapman
The St. Bernard Voice
3500 Buffon Street
Chalmette, LA
70043

PH: (504) 277-6526

FAX: (504) 279-3282

John Podesta
Assistant to the President
Ground Floor West Wing
The White House
Washington D.C. 20500

September 6, 1993

Dear John,

I wish to thank you for your prompt response to my request for a copy of the "White House Travel Office Review" [July 2, 1993].

I am now making a request for ALL documents relating to the Travel Office as well as the White House Usher's Office.

Thank you again for your assistance in the past, and trust the information I am requesting will be soon forthcoming.

Kindest Professional Regards,

Ron Chapman
"Point of View"
The St. Bernard Voice

Is your RETURN ADDRESS completed on the reverse side?

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X John Podesta
Asst. to the President
Ground Floor West Wing
The White House
Washington, D.C. 20500

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WHITE HOUSE MAIL ROOM

PS Form 3811, December 1991 ☆ U.S.G.P.O. : 1992-307-530

DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

THE WHITE HOUSE
WASHINGTON

Amor.

DATE: 11/6

TO: *George Tenant*

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

*Is this OK
with you*



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

November 5, 1993

23 NOV 5 P3:29

MEMORANDUM FOR DESIGNATED AGENCY HEADS
(SEE ATTACHED DISTRIBUTION LIST)

FROM: Robert G. Damus *RGD*
Acting General Counsel

SUBJECT: Proposed Executive Order Entitled "Amendment to
Executive Order No. 12829"

Attached is a proposed Executive order entitled "Amendment to Executive Order No. 12829."

It was prepared by the Information Security Oversight Office, in accordance with the provisions of Executive Order No. 11030, as amended.

On behalf of the Director of the Office of Management and Budget, I would appreciate receiving any comments you may have concerning this proposal. If you have any comments or objections, they should be received no later than close of business Monday, November 8, 1993. Please be advised that agencies that do not respond by the November 8, 1993 deadline will be recorded as not objecting to the proposal.

Comments or inquiries may be submitted by telephone to Mr. Mac Reed of this office (Phone: 395-3563; Fax: 395-7294).

Thank you.

Attachments - Distribution List
Proposed Executive Order

cc: Alice Rivlin
Chris Edley
Gordon Adams
John Angell
Martha Foley
T.J. Glauthier
Joe Minarik
Isabelle Sawhill
Nancy-Ann Min
Al Burman
Barry Toiv
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Central Intelligence Agency

Honorable Ivan Selin
Chairman
Nuclear Regulatory Commission

Honorable Bernard W. Nussbaum
Counsel to the President

Honorable Anthony Lake
Assistant to the President
for National Security Affairs

Honorable John Podesta
Assistant to the President
and Staff Secretary

Honorable Jack Quinn
Chief of Staff to the Vice President

EXECUTIVE ORDER

- - - - -

AMENDMENT TO EXECUTIVE ORDER NO. 12829

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to extend the time to issue the National Industrial Security Program Operating Manual, it is hereby ordered that Executive Order No. 12829, which is entitled "National Industrial Security Program," is amended as follows:

Section 1. Section 201(f) of Executive Order No. 12829 is amended to read: "The Manual shall be issued to correspond as closely as possible to pertinent decisions of the Secretary of Defense and the Director of Central Intelligence made pursuant to the recommendations of the Joint Security Review Commission and to revisions to the security classification system that result from Presidential Review Directive 29, but in any event no later than June 30, 1994.

Sec. 2. This order shall be effective immediately.

THE WHITE HOUSE,

Mon,

THE WHITE HOUSE
WASHINGTON

DATE: 11/6

TO: *Howard Baker*

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

See my note

116
Spoke w/
Fred Duval on
Protocol. Bill w/
w/ Paster in issue
rest of
delegation
Paster

THE PRESIDENT HAS SEEN 5:27

THE WHITE HOUSE
WASHINGTON

CT 26 P2:23

October 26, 1993

Someone should
tell State/Pastoral
Bren

will you call
w/ly Raison's
office
JDP

MEMORANDUM FOR THE PRESIDENT

FROM: Howard Paster *JDP*

SUBJECT: 50th Anniversary of Battle of Guadalcanal

I. ACTION-FORCING EVENT

Senator John Chafee, who is the only Member of Congress who was at Guadalcanal, has called and requested that you name him to head a delegation to the November 29, 1993 50th anniversary ceremonies in the Solomon Islands.

II. BACKGROUND/ANALYSIS

Besides his obvious importance to the fate of health care reform, you might want to know that Senator Chafee voted with the Administration against the McCain, Nickels and Helms foreign policy amendments to the recently passed Defense Appropriations bill.

III. RECOMMENDATION

I recommend you respond favorably to the Senator's request, and designate him to lead a delegation to the Solomon Islands after Thanksgiving. We would help him put together a proper bi-partisan group.

I have spoken with Tony Lake who concurs in this recommendation, and my staff has been in touch with the Departments of State and Defense with whom we will coordinate this trip.

IV. DECISION

☒ Approve ☐ Approve as amended ☐ Reject

C.E. MACK
B.Lindsey

They
tell me this is the 50th
Anniversary & Chafee
the only person
going
John

THE WHITE HOUSE
WASHINGTON

November 4, 1993
NOV 4 P6:02

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 Friday,
November 12, 1993.

Thank you.

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: November 4, 1993

Date of Request: 7/19/1993

Request for: POTUS

Type of Request: Award Acceptance/speak at graduation ceremony

Requestor Name: Dr. Robert Ross

Title: Chairman of the Board

Organization: Ross University School of Medicine
460 West 34th Street
12th Floor
New York, New York 10001

Contact Tel. #: 212/279-5500

Event Date: January 1994

Event Description: The medical school is having their graduation exercises at the United Nations Building in New York on an unspecified date in January 1994. They would like POTUS to be their featured speaker.

Notes: Ross University is offering to present POTUS with the Faye Robiner/Minnie Rosen Award either at the graduation ceremony or in absentia. Past recipients of this award have included Presidents Ford, Carter, and Bush.

Recommendations:

RN _____

JP _____

11-5-93

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: November 3, 1993

Date of Request: 9/30/1993

Request for: POTUS

Type of Request: Honorary Membership

Requestor Name: Mr. Don Zimbleman

Title: President

Organization: International Flying Farmers
2120 Airport Road
P.O. Box 9124
Wichita, Kansas 67277

Contact Tel. #: 316/943-4234

Event Date:

Event Description:

Notes: This organization is requesting that POTUS accept an Honorary Membership as a tribute to their 50th anniversary in 1994. They have enclosed an Honorary Membership certificate with POTUS' name.

Recommendations:

RN _____

JP ND

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: November 3, 1993

Date of Request: 10/23/1993
Request for: POTUS
Type of Request: Honorary Membership
Requestor Name: Mr. James M. Beasley
Title: Chairman
Organization: Travel Council of the World, Inc.
4763 Del Mar Avenue
San Diego, California 92107-3524
Contact Tel. #: 619/226-4618
Event Date:
Event Description:
Notes: They are offering POTUS an Honorary Membership in the Travel Council of the World, a non-profit organization of travel industry groups dedicated to preserving the environment. This organization has two principal goals; (1) to promote environmentally responsible travel through their "environmentally concerned traveler" program, and (2) to support members who have made a commitment to ecotourism.

Recommendations:

RN _____

JP _____

WD

TERRY E. MARLER
PRESIDENT

4763 DEL MAR AVENUE . SAN DIEGO, CA 92107-3524 (619) 226-4618

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: November 3, 1993

Date of Request: 10/06/1993

Request for: POTUS

Type of Request: lend name/contribute brief videotaped message/meet with POTUS

Requestor Name: Mr. Alfred H. Moses

Title: President

Organization: American Jewish Committee
165 East 56th Street
New York, New York 10022-2746

Contact Tel. #: 212/751-4000

Event Date: 10/29/1993

Event Description: Mr. Moses asks to meet with POTUS sometime between October 28 and 29, 1993. However, those dates have already passed.

Notes: Mr. Moses requests that POTUS lend his name to their national multimedia campaign to combat intolerance and bigotry. In addition, he asks that POTUS contribute a brief videotaped message to help in this campaign.

Recommendations:

RN _____

JP _____

↓
This should go
to Rick Seidman
→ to Alexis

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: November 4, 1993

Date of Request: 10/1/1993

Request for: POTUS/FLOTUS

Type of Request: Honorary Chairs/attend opening night performance and gala

Requestor Name: Ms. Shahara Ahmad-Llewellyn

Title: Chairman of the Board

Organization: Dance Theatre of Harlem
Development and Marketing Office
247 West 30th Street
New York, NY 10001

Contact Tel. #: 212/967-3470

Event Date: 4/19/1994

Event Description: Dance Theatre of Harlem's opening night performance will be held in the Opera House at the Kennedy Center and will be followed by dinner and dancing in the South Gallery.

Notes: Last April POTUS and FLOTUS served as Honorary Chairs of this event. It has been verified that the founder of the Dance Theatre of Harlem will be received at the White House as a Kennedy Center honoree in December.

Recommendations:

MW _____

RN _____

JP yes

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: November 2, 1993

Date of Request: 10/07/1993

Request for: POTUS

Type of Request: Honorary Chairperson or Chairperson or
Advisor/attend awards ceremony

Requestor Name: Mr. David Shin

Title: Director

Organization: Filial Piety Society
203 East 109th Street
New York, New York 10029

Contact Tel. #: None given

Event Date: Not mentioned

Event Description: This group holds an annual awards ceremony
for exceptionally dutiful sons or daughters.
There is no mention of a date for this
ceremony.

Notes: This society has two primary purposes; (1) to
promote the well-being of the elderly, and
(2) to improve parent-child relations.

Recommendations:

RN _____

JP _____

WD

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: October 27, 1993

Date of Request: 10/08/1993

Request for: POTUS/FLOTUS

Type of Request: Honorary Members, Board of
Directors/correspondent to speak with
White House Representative

Requestor Name: Ms. Roxanne Black

Title: Executive Director

Organization: Long Distance Love
67/69 Church Street
Suite 200
New Brunswick, New Jersey 08903

Contact Tel. #: 908/249-9894

Event Date:

Event Description:

Notes: The organization facilitates correspondence
between people of the same age and with the
same health problems for the purpose of
mutual support. Ms. Black was named one of
President Bush's Points of Light in October
1990. In addition, Ms. Black requests to
speak with a White House representative about
health care reform.

Recommendations:

MW _____

RN _____

JP ND

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: October 27, 1993

Date of Request: 10/19/1993
Request for: POTUS
Type of Request: Honorary Commodore of sailing club
Requestor Name: Mr. Richard Raczynski
Title: Commodore
Organization: Polish Sailing Club, Inc. of New York
11 John Street
Suite 406
New York, New York 10038
Contact Tel. #: 212/385-6050
Event Date:
Event Description:
Notes: This non-profit ethnic sailing club with 100 members expresses strong support for POTUS. They have nominated POTUS to be Honorary Commodore of their club.

Recommendations:

RN _____

JP _____

ND

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: October 27, 1993

Date of Request: 9/20/1993

Request for: POTUS

Type of Request: Lend name as endorser of project

Requestor Name: Mr. Shahidah Phiri

Title: President

Organization: Africa International
Post Office Box 5567
Inglewood, California 90310-5567

Contact Tel. #: 213/242-8657

Event Date:

Event Description:

Notes: Africa International is embarking on a project to build a pan-African amusement park in Zambia which will try to capture the ambience of all the cultural regions of Africa in an effort to attract tourists from all over the world. Mr. Phiri asks to use POTUS's name as an endorser of the project on their new stationery.

Recommendations:

RN _____

JP _____ *NO*

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: October 27, 1993

Date of Request: 10/10/1993
Request for: POTUS
Type of Request: Honorary Membership/suggests POTUS give West Coast NAFTA speech
Requestor Name: Mr. Ronald J. Mynock
Title: Chapter Political Action Chairperson
Organization: Santa Rosa City Schools
211 Ridgeway Avenue
Santa Rosa, California 95401
Contact Tel. #: 707/528-5611
Event Date:
Event Description:
Notes: The correspondent suggests POTUS give a speech as a vehicle to promote NAFTA modeled after and inspired by the famous 1893 speech by Frederick Jackson Turner on the end of the American frontier. An honorary membership to the Santa Rosa School District's "Shape-Up Club" is also offered to POTUS.

Recommendations:

RN _____

JP  _____

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: November 4, 1993

Date of Request: 9/11/1993

Request for: POTUS

Type of Request: Member, Honorary Board of Directors/
attend dinner or send representative to
attend dinner

Requestor Name: Mr. Richard A. Hardman

Title: President

Organization: Valley Heritage Fair, Inc.
9241 Reseda Boulevard #101
Northridge, California 91324

Contact Tel. #: 818/886-8802

Event Date: 3/26/1994

Event Description: The grand formal fundraising dinner dubbed
the "Heritage Ball" will be held at an
unspecified location (probably in the Los
Angeles area) on the evening of March 26,
1994.

Notes: Valley Heritage Fair, Inc. is organizing its
first multi-ethnic fair for the 1994 Labor
Day weekend. Members of the Honorary Board
of Directors include, Sen. Boxer, Sen.
Feinstein, U.S. Rep. Moorhead, and Gov.
Wilson. In addition to the fair other multi-
ethnic community cultural and sporting events
are planned for 1994.

Recommendations:

RN _____

JP _____

NO

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: October 26, 1993

Date of Request: 10/21/1993

Request for: POTUS/FLOTUS

Type of Request: Honorary Chairpersons

Requestor Name: Mr. James Huniford

Title:

Organization: Housing Works/Heading Home
c/o Keeble Cavaco & Duka
853 Seventh Avenue
New York, New York 10019

Contact Tel. #: 212/582-3473

Event Date: 12/08/1993

Event Description: Housing Works is holding a fundraising event which will include a holiday auction and party.

Notes: Housing Works is a non-profit organization dedicated to providing housing for homeless men, women, and children with AIDS. They hope this event will raise \$300,000 to fund their various programs. A list of auction participants is enclosed with the letter.

Recommendations:

MW _____

RN _____

JP _____

NO

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: October 26, 1993

Date of Request: 9/20/1993

Request for: POTUS

Type of Request: Honorary Chairman/attend event w/FLOTUS

Requestor Name: Mr. Richard Moore

Title: Executive Director

Organization: Niagara Falls Family YMCA
1317 Portage Road
Niagara Falls, New York 14301

Contact Tel. #: 716/285-8491

Event Date: 11/20/1993

Event Description: 5K run on the opening day (Saturday, November 20, 1993) of the 13th Annual "A Festival of Lights," which is a tourism holiday event attended by nearly 1 million people over the 44 days of its duration.

Notes: The Niagara Falls Family YMCA would like to name POTUS as Honorary Chairman for this particular event. The Gift Unit has responded with a card for the T-shirt they had sent POTUS. Scheduling is awaiting a decision to be able to respond to the event attendance request.

Recommendations:

RN _____

JP _____

ND

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: October 26, 1993

Date of Request: 10/04/1993

Request for: POTUS

Type of Request: "Gift" Membership

Requestor Name: Mr. Paul Fogarty

Title: President, FBLA-PBL Professional Division

Organization: Future Business Leaders of America-
Phi Beta Lambda, Inc.
1912 Association Drive
Reston, Virginia 22091

Contact Tel. #: 703/860-3334

Event Date:

Event Description:

Notes: The FBLA-PBL is inviting POTUS to accept a "gift" membership to the Professional Division of the organization. The Professional Division is open to all individuals interested in promoting the goals of FBLA-PBL. Enclosed is a list of those goals and the "gift" membership card for POTUS.

Recommendations:

RN _____

JP NO _____

THE WHITE HOUSE
WASHINGTON

DATE: 11/05/93

NOTE FOR: LINDA LADER

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

Information ☒

Action ☐

fAXed
/
S.

Thank you.

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

cc:

CC Dinner Letter
to Ureder

THE WHITE HOUSE
WASHINGTON

November 4, 1993

James M. Dunn
Executive Director
Baptist Joint Committee
200 Maryland Avenue, N.E.
Washington, D.C. 20002-5797

Dear James:

Thanks for your letter and for sending Marion Hays' book In the Land Where Time Began. It was so wonderful to have her participate in the Inaugural Prayer Service, and I appreciate your thinking of me with her book.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill", with a long horizontal flourish extending to the right.



BAPTIST JOINT COMMITTEE

200 MARYLAND AVENUE, N.E., WASHINGTON, D.C. 20002-5797 • 202/544-4226

November 2, 1993

James M. Dunn
Executive Director

Dear Mr. President:

Mrs. Brooks Hays, Marion, your dear friend and mine has written a book. Yep, at 96-years of age she has a book coming out.

The publishers asked me to be sure that you got a copy. Here 'tis.

I'm hoping that one day soon you can share your own views and values with a very small group of Baptist journalists so you'll not be filtered through the fundamentalists.

Yours faithfully,
James

THE WHITE HOUSE
WASHINGTON

DATE: 11/05/93

HOWARD PASTER
RAHM EMANUEL

NOTE FOR:

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:

11-5-93

REP. J. ROY ROWLAND (D-8 GA)

2134 RHOB
202-225-6531

COMMITTEES:

Energy and Commerce
Veterans' Affairs

BACKGROUND INFORMATION:

S. Central Georgia district

1992 Percent of Vote: 56%

President Election: Clinton: 40%; Bush: 45%; Perot: 15%

League of Conservation Voters rating: 19

AFL-CIO COPE rating: 58

*Added to
in meeting
Planned for 11/12/93*

NAFTA: Between 1987 and 1992, Georgia's exports to Mexico more than tripled, from \$108 million to \$464 million. Already, Mexico is Georgia's third largest export market. Currently, manufactured exports to Mexico and Canada support an estimated 45,000 jobs in the State. Exports to Canada grew from \$634 million in 1987 to \$1.58 billion in 1992.

MAJOR EMPLOYERS:

PAPER PRODUCTS: Georgia's exports of paper products to Mexico increased from \$22 million in 1987 to \$55.6 million in 1992. Exports to Canada more than doubled over the same period, from \$50 million to \$102 million. The US paper industry currently supplies nearly 78% of Mexican imports. NAFTA immediately eliminates tariffs on 42% of US exports of paper and paper products to Mexico. NAFTA eliminates tariffs on another 29% in 5 years and phases out all remaining tariffs in 10 years. NAFTA also includes the "snap-back" safeguard option if increased Mexican imports threaten the domestic paper industry.

- **The Proctor & Gamble Company** employs over 1,000 people in Albany. Mexico is Proctor & Gamble's largest market outside the US. Since Mexico opened its markets in 1986, P&G's exports of goods and services have grown from almost nothing to over **\$100 million in 1992**. With the elimination of Mexican duties, P&G estimates sales approaching **\$200 million annually** in the next five to ten years. P&G attended Jobs and Products Day at the White House.
- **International Paper Company**

LUMBER & WOOD PRODUCTS: Georgia's exports of lumber and wood products increased more than 36000% between 1987 and 1992, from \$15,000 worth to \$5.6 million worth. Over the same period, exports to Canada increased from under \$936,000 to \$5.2 million. The ITC estimates that US exports to Mexico will increase by 18% over an extended period as a result of NAFTA. NAFTA immediately eliminated Mexican tariffs on 14.7% of US wood and lumber exports to Mexico and phases out the remainder of Mexican tariffs over ten years.

PEANUTS: Mexico's tariffs on peanuts are zero. NAFTA will have a small positive effect on the US peanut industry in the short run. By the end of the transition period, Mexico is expected to increase imports from the US by about 19,000 metric tons, or an 8% increase above levels expected without NAFTA.

PECANS: In 1991, Mexico exported about 15,000 metric tons of shelled and unshelled pecans to the US and the US exported 4,757 metric tons of pecans to Mexico. Some US pecan exports to Mexico are shelled in Mexico and shipped back to the US. Under NAFTA, US imports of Mexican pecans may be marginally higher than without NAFTA. Under the NAFTA, duties on all tree nuts will be eliminated immediately.

REFINED PETROLEUM PRODUCTS: Georgia's exports of refined petroleum products to Mexico grew nearly tenfold to \$188,000 between 1987 and 1992. Over the same period, exports to Canada grew from \$268,000 to \$3.4 million, and increase of more than 1000%. Under NAFTA, 95% of all US exports to Mexico in the petroleum products sector will be duty free immediately. Tariffs on the remaining 5% will be phased out over 10 years. Current Mexican duties in the petroleum sector range up to 15 percent.

- **Amoco Corporation** employs over 2,000 people in the district.

FOOD PRODUCTS: Georgia's food products exports to Mexico rose nearly 300% from \$3.9 million in 1987 to \$15.5 million in 1992. Exports to Canada have increased from \$9.7 million to nearly \$62 million.

- **Sara Lee Corporation** employs over 1,000 people in Georgia's 8th district. Sarah Lee employees attended Jobs and Products Day.

TEXTILES & APPAREL: Georgia's textile exports to Mexico grew over 1300% from \$2 million in 1987 to over \$30 million in 1992. Apparel exports grew more than 1800% from \$407,000 to \$7.8 million over the same period. NAFTA eliminates Mexican tariffs on 93% of US yarn and thread exports, 89% of US fabric exports, 60% of US textile madeups, and 97% of US apparel over five years. Tariffs on the remaining products will be eliminated in ten years.

- **Irwin Manufacturing**, an apparel company, employs 475 people in Ocilla, GA.
- **Coats & Clark** manufacture thread in Albany

THE WHITE HOUSE
WASHINGTON

DATE: 11/05/93

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:

THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS SEEN

11-593

November 1, 1993

RECOMMENDED TELEPHONE CALL

TO: Chairman Jack Brooks

DATE: November 1, 1993

RECOMMENDED BY: Howard Paster, Legislative Affairs

PRUPOSE: To push the chairman to mark-up the Brady Bill this week.

BACKGROUND: As you know, Brooks was concerned the crime bill would not pass this year if the House had to deal with habeas corpus and the death penalty. Therefore, he broke the crime bill into pieces in order to pass some of the more pressing issues in the bill: cops on the beat, boot camps, drug treatment, safe schools and anti-gang violence. The Brady Bill was not one of the provisions that was marked up.

There has been some concern that Brooks, who is not a supporter of Brady, is resisting marking up this bill. According to the Judiciary staff, Brooks is looking at marking up Brady Thursday or Friday of this week -- after the five crime provisions have passed the House. Speaker Foley spoke with Brooks over the weekend and is concerned Brooks may try to delay the mark up until next week, which would make it unlikely Brady could be brought up for a vote before adjournment. Foley feels a phone call from you would help ensure a mark-up this week.

TOPICS OF DISCUSSION:

1. The importance of Brady to you, personally.
2. The need to have a vote in the House before adjournment.
3. Ask that he mark-up this bill by Thursday, November 4, or Friday, November 5 so this bill can be voted on in the House before the Veterans Day break November 11 and then move to the Senate for a possible vote there before the adjournment.

11/5/93

CONTACT PERSON AND
TELEPHONE NUMBER(S):

Jack Brooks will be in his office after
10:00 a.m. today: 225-6565
703-356-7681 - home, VA

DATE OF SUBMISSION:

November 1, 1993



THE WHITE HOUSE
WASHINGTON

DATE: 11/05/93

THE VICE PRESIDENT
MACK MCLARTY
HOWARD PASTER
TO: GEORGE STEPHANOPOULOS
DAVID GERGEN BRUCE REED
CAROL RASCO BOB RUBIN
FROM: JOHN D. PODESTA
Assistant to the President and
Staff Secretary



The attached has been forwarded
to the President.





THE DIRECTOR

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

043125

5 24:30

November 5, 1993

MEMORANDUM FOR THE PRESIDENT

FROM: Leon Panetta 

SUBJECT: FY 1995 Budget Implications of the Crime Bill Amendment

Last night the Senate passed a Byrd, Mitchell, Biden, Dole, Gramm, Hatch amendment to the Crime Bill by a vote of 94-4. The amendment increases the authorized spending in the bill to a total of \$22.3 billion over five years (1994-98), and fully funds those authorizations by creating a Violent Crime Reduction Trust Fund.

Spending out of this Trust Fund would be subject to the appropriations process, but not subject to the Budget Enforcement Act caps. Instead, the Crime Bill spending is financed by reducing the discretionary caps by the appropriate amounts in each of the five years -- a total of \$22.3 billion in budget authority (BA) and \$21.5 billion in outlays. Most importantly, for the purposes of planning your FY 1995 Budget, the FY 1995 caps are reduced by \$2.4 billion in BA and \$2.3 billion in outlays.

The cap reductions are "financed" by reductions in government personnel. These are taken from the reductions specified in Vice President Gore's National Performance Review, advanced one year. However, the amendment contains explicit annual ceilings on Federal employment, contrary to the recommendation of the NPR. The FY 1994 and FY 1995 reductions in the amendment are more aggressive than are required under your February Executive Order by approximately 8-9,000 per year. Effectively, 80% of 5-year savings we had forecast from the NPR's reductions of 252,000 full-time equivalent positions are by this amendment dedicated exclusively to spending out of the Violent Crime Reduction Trust Fund. These savings would have been used to meet the caps and fund your investment program.

Of the \$22.3 billion in authorizations, OMB's planning ceiling includes only \$3.5 billion, for 50,000 cops. The major increases over OMB's planning ceilings include:

- Full funding (with same match) of 100,000 cops;
- Regional prisons (operated by states);
- State and Local Boot Camps and minimum security facilities construction;
- Secure Juvenile Facilities for States; and
- Anti-Violence Programs (women, spousal abuse, families, sexual assault).

In addition to the severe problems that will result from this amendment in funding your investment priorities in the FY 1995, I have two other concerns.

- This amendment could be a precedent for reestablishing firewalls. If we have a firewall for crime, why not for children or for civilian technology?
- Over half of our anticipated FTE savings come from DoD. By reducing the discretionary caps, savings that would otherwise have helped DoD (and other agencies) hit their top line have now been earmarked for crime.

While the amendment appears certain to pass, perhaps we can work with the committees to modify the FY 1995 funding -- while continuing to support increased outyear expenditures for the crime initiative.

THE WHITE HOUSE
WASHINGTON

DATE: 11/05/93

NOTE FOR: JOAN BAGGETT

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

Information ☒ x x

Action ☐

Thank you.

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

cc:

THE WHITE HOUSE
WASHINGTON

Mr. President,

The listed phone
numbers for Maeda Norm
Price of Seattle are
incorrect in your memo
Please disregard them
and after 11⁰⁰ PM EST
Call

206-467-5828

THE WHITE HOUSE
WASHINGTON

NOVEMBER 2, 1993

NOV 2 P8:53

Calender

MEMORANDUM FOR THE PRESIDENT

FROM: JOAN N. BAGGETT

SUBJECT: ELECTION NIGHT PHONE NUMBERS

As of 9:00 pm, the following races are projected as victories, and thus congratulatory calls may be made at your discretion.

MASSACHUSETTS

~~Boston~~, Mayor:

~~Thomas Menino:~~ 617-457-2285 -- Suite,
Park Plaza Hotel
617-365-4683 -- cellular
617-962-9683 -- cellular

✓ MICHIGAN

Detroit, Mayor:

✓ Dennis Archer: 313-259-9370 -- Best number to reach
Mr. Archer
313-393-9494 -- Headquarters
313-660-6410 -- Pager (Campaign Manager
Paul Piper)

NEW YORK

New York City, Public Advocate:

Mark Green: 212-581-1000 -- Suite 3127

OHIO

✓ Cleveland, Mayor:

Mike White: 216-696-5600 -- Room 982
(before 9:30 pm)
216-363-1993 -- Headquarters
(after 10:00 pm)
216-952-7872 -- cellular

PENNSYLVANIA

Pittsburgh, Mayor:

✓ Tom Murphy: 412-322-9427 -- Until 11 pm

TEXAS

Houston, Mayor:

✓ Bob Ianier: 713-243-3228 -- Wife's cell phone
713-247-3228 -- Police
(both will be with him all evening)
713-247-3228 -- Office

WASHINGTON

Seattle, Mayor:

✓ Norm Rice: 206-623-1917 -- Victory Party
(After 8:00 pm PT)
206-684-4381 -- Home : 22
(11/3, until 9 am PT)
206-684-8856 -- City Hall Office
(11/3, after 9 am PT)

THE WHITE HOUSE
WASHINGTON

NOV 2 10:29

NOVEMBER 2, 1993

MEMORANDUM FOR THE PRESIDENT

FROM: JOAN N. BAGGETT

SUBJECT: UPDATE ON ELECTION NIGHT PHONE CALLS AND RESULTS

As of 10:30 pm, the following races have been projected, and thus calls may be made if you so wish:

Virginia, Lieutenant Governor:

Don Beyer has defeated Mike Farris. Beyer can be reached at the Richmond Marriott: 804-643-3400, Suite 706

North Carolina, Raleigh Mayor:

Barlow Herget has lost to Tim Fetzer by 2 points (49/51). Herget can be reached at: 919-872-2323, Salon G.

Herget was the State Campaign Chairman during the primary. Fetzer was backed by both Helms and the Christian coalition in this election. If you do not wish to make the call, we will have a letter for your signature tomorrow.

Election Update:

- In New Jersey, Florio is down by 48/51 with 47% of the vote counted.
- In New York, the race is a dead heat.
- In Maine, the term limits initiative has passed by 70% to 30%
- In Pittsburgh, Tom Murphy has won by 66.5% to 13.5%.
- In Boston, Tom Menino has won by 65% to 35%.
- In Miami, the race is a run-off.

THE WHITE HOUSE

WASHINGTON

November 5, 1993

Dear Mr. Speaker:

I write to express my firm opposition to the proposed balanced budget amendment to the Constitution of the United States (S.J. Res. 41 and H.J. Res. 103). While I am deeply committed to bringing down our Nation's deficit, this proposed balanced budget amendment would not serve that end. It would promote political gridlock and would endanger our economic recovery.

The Administration fought hard to pass a historic deficit reduction plan because we believe that deficit reduction is an essential component of a national economic growth strategy. As you know, I worked tirelessly with the Congress to gain passage of the largest deficit reduction package in the Nation's history. This legislation includes a "hard freeze" on all discretionary spending, a virtually unprecedented constraint on Federal spending. Through the National Performance Review, a new rescission package, and a major proposal to limit the growth of Medicare and Medicaid through comprehensive health care reform, we are taking continuing steps to keep the deficit on a downward path. I have also long supported such procedural innovations as enhanced rescission authority or a line-item veto and would consider workable budget proposals that distinguish between consumption and investment. The Bipartisan Commission on Entitlement Reform will come forward with suggestions on controlling entitlement costs and other serious budget reforms. Thoughtful, specific reforms are better policy than a rigid Constitutional amendment.

The balanced budget amendment is, in the first place, bad economics. As you know, the Federal deficit depends not just on Congressional decisions, but also on the state of the economy. In particular, the deficit increases automatically

whenever the economy weakens. If we try to break this automatic linkage by a Constitutional amendment, we will have to raise taxes and cut expenditures whenever the economy is weak. That not only risks turning minor downturns into serious recessions, but would make recovery from recession far more difficult. Let's be clear: This is not a matter of abstract economic theory. Contractionary fiscal policy in the 1930s helped turn an economic slowdown into a Great Depression. A balanced budget amendment could threaten the livelihoods of millions of Americans. I cannot put them in such peril.

Moreover, at presently anticipated growth rates, the deficit reduction required by this amendment could be harmful to average hard-working American families. Supporters of this amendment must be straight with the American people. Given the current outlook for the FY 1999 budget, the amendment would require some combination of the following: huge increases in taxes on working families; massive reductions in Social Security benefits for middle class Americans; and major cuts in Medicare and Medicaid that would make it impossible to pass meaningful health reform legislation. This latter result would be particularly ironic and counterproductive because comprehensive health reform is our best hope not only for providing health security for all Americans, but also for bringing down the long-term structural deficit. The fact that these consequences will not be clear to most Americans for a few years does not relieve us of the responsibility of facing them today.

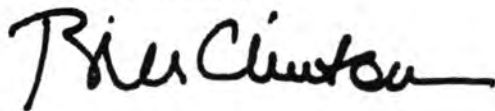
We must reject the temptation to use any budget gimmicks to hide from the specific choices that are needed for long-term economic renewal. The amendment by itself would not reduce the deficit by a single penny. The only way we can continue to make progress on bringing down the deficit while investing more in our future is to continue the process of making tough and specific policy choices. If we avoid such straightforward debate now, the likely outcome will be accounting subterfuge and gimmicks when the easy promise of a balanced budget amendment runs up against difficult political realities. A gridlocked Congress would encourage members to look for an easy way out -- for example, by moving more Federal programs off budget or by imposing more unfunded mandates on the States. Ironically, the amendment might encourage less rather than more fiscal responsibility.

The amendment's potential impact on our constitutional system is as troublesome as its effect on the economy. The proposed amendments are so vague and complex that budgets quickly could be thrown into the courts to be written by appointed judges with life tenure, rather than the people's elected officials in the Congress. Surely, we can do better than this.

Finally, I believe that economic and budgetary decisions should distinguish between investment and consumption. Those who manage a family budget know that there is a fundamental difference between spending money on a lavish meal, and paying the mortgage on a home that is an investment in one's future economic security. Under this balanced budget amendment, there is no distinction between cutting a dollar in waste and a dollar in a valuable investment in technology that could make us a richer and more competitive Nation in the future. That is unacceptable to me. We need to find ways to reduce the deficit and increase investment in ways that enhance not undermine the economic security and potential of our people and their communities. We must bring down the budget deficit at the same time we make progress on bringing down the investment deficit through investments in those who helped us win the cold war, through more resources to fight drugs and crime, and by giving all Americans the opportunity for quality education and training throughout their lifetimes.

I remain firmly committed to the goal of deficit reduction. But I am just as firmly opposed to this balanced budget amendment, because it would simply delay honest debate over the hard choices needed for long-term economic growth and could imperil the economic stability of the Nation and our fledgling recovery.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Clinton", with a long, sweeping horizontal line extending to the right.

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

THE WHITE HOUSE
WASHINGTON

November 5, 1993

Dear Mr. Leader:

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Sincerely,

A handwritten signature in black ink, appearing to read "Bill Clinton", with a stylized, cursive script.

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

THE WHITE HOUSE
WASHINGTON

DATE: 11/5/93

VICE PRESIDENT
TONY LAKE
GEORGE STEPHANOPOULOS
HOWARD PASTER
JACK QUINN

NOTE FOR:

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

November 2, 1993

MR. PRESIDENT:

George concurs in the attached strategy recommending specific steps for consultation with Congress on peacekeeping.

John Podesta

Handwritten note:
Pres
George - Also / sup
Meet w/ a Cong. group
Lunch 4 times
a year at night
of room

THE WHITE HOUSE

8262

WASHINGTON

October 30, 1993

24:05

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: ANTHONY LAKE
HOWARD PASTER

SUBJECT: Congressional Consultation Strategy

Purpose

To describe new efforts to improve congressional consultation on national security issues, particularly on those related to peacekeeping.

Background

Part of the recent congressional and press criticism over Somalia, Haiti and Bosnia has centered on our process of consultation with Congress.

The problem is not simply too few discussions with Congress: as recently noted regarding Sen. Lugar's CNN criticisms, there were extensive consultations, spanning more than six months, on Haiti. Moreover, our consultations have at times aggravated tensions with Congress, as with the October 13 congressional briefing on Somalia by Secretaries Aspin and Christopher.

Rather, the core of the problem is this: we have not done enough to develop a common set of understandings with Congress regarding the use of American force in peacekeeping and peace enforcement, especially in multilateral settings.

During last week's Senate debate, Sen. Mitchell and several key Democrats considered offering an amendment calling on the Administration to work with Congress to develop better understandings, and perhaps new legislation, regarding our policy toward peacekeeping and the use of US force. This idea was in part a response to your October 18 letters to Sens. Mitchell and Dole in which you welcomed a new "dialogue" about executive-legislative relations on these issues. Although such an amendment ultimately was not offered, Sen. Mitchell held a press conference Friday with Sens. Biden, Nunn, DeConcini, Levin and Boren proposing that this group take the lead in examining such issues.

We believe this call for a cooperative process, coupled with the clear signals Congress has recently sent, provides an opening to take several steps to improve our relations with Congress:

cc: Vice President
Chief of Staff

1. Work with the Mitchell-Biden group on war powers. The Mitchell-Biden group is driven significantly by Sen. Biden's desire to revise the War Powers Resolution. Although his proposal differs from the revisions we prefer, we will begin holding regular meetings with this group to work toward legislative changes. We will also engage Sen. Dole, as well as the bipartisan House leadership, in pursuing this effort. This process likely will extend into next Spring.
2. Continue the "Hamilton" process of periodic consultations. Reps. Hamilton and Dellums recently suggested that the Administration begin meeting periodically with top House and Senate leaders to discuss conflicts in which American force potentially or already is involved. On September 23, we held the first such meetings -- one for the House and one of the Senate. Secretary Christopher, Secretary Aspin, General Powell, Ambassador Albright and Lake met with about a dozen leaders from each chamber. The primary topics were Russia and Bosnia. The meetings were useful and we have told Rep. Hamilton and others that we plan to continue the process, with the next meetings to occur soon.
3. Seek a convergence of views on internal conflicts and peacekeeping. As noted above, the heart of the problem here is US policy toward peacekeeping, especially where American force is involved. We need to work to help Congress understand and embrace our policy. PRD 13 provides a starting point for this effort. Additional steps include:
 - Work with the congressional leadership and key committees to encourage briefings and later hearings on these topics. Some committees, such as Senate Armed Services, already have held hearings; others, such as Foreign Relations, would like to do so soon. We plan to take the initiative to consult widely on the Hill and to work with staff and members to focus their inquiries, provide Administration witnesses and suggest outside experts.
 - Lake, Christopher, Aspin and other key officials also will hold private one-on-one and group meetings with key members to develop better understandings on these issues.
 - Continue pursuing reforms in the UN and improving our own arrangements for managing and financing peacekeeping, as outlined in PRD 13.
4. Give Congress more information about our work plans. In her testimony before the Senate Foreign Relations Committee last week, Ambassador Albright said that on a monthly basis she would begin providing Congress with an outline of upcoming UN votes and her office's general work plan. We plan to explore similar ideas for State and DoD.

5. Better coordination for congressional notification. We have begun taking steps to ensure that we achieve timely and comprehensive notification of key members of Congress in cases of foreign crises and presidential announcements. For example, we have clarified rules among NSC, State, DoD and CIA regarding clearance of talking points, coordination of call lists and 24-hour availability of key legislative affairs staff.
6. Expanded White House involvement in congressional consultations on foreign policy. Lake and Berger will begin expanding their meetings with members to demonstrate White House concern over these issues and to ensure a direct line of congressional feedback. For example, Lake and Berger have decided to begin informal breakfasts with small groups of members every week or two. We also plan to have NSC Senior Directors increase their contacts with Congress.

RECOMMENDATION

That you approve this strategy.

Approve ☒ Disapprove ☐

THE PRESIDENT HAS SEEN 11/5

M E M O R A N D U M

TO: THE PRESIDENT
FROM: BOB RUBIN
RE: BART GORDON
DATE: NOVEMBER 2, 1993

Handwritten:
Hearg
Fy-

BOB RUBIN LEFT THE FOLLOWING MESSAGE:

I talked with Jack Welch of GE re. Bart Gordon.
Jack said it is a messy situation, but he would
look at it. Jack wasn't sure there was much he
could o.

THE WHITE HOUSE
WASHINGTON

October 26, 1993

RECOMMENDED TELEPHONE CALL

*1/6/94
to him*

TO: Secretary Henry Cisneros
office: 202 708-0417, home: 202 328-3608

DATE: Tuesday, October 26, 1993.

RECOMMENDED BY: Joan Baggett and Linda Moore, Political Affairs

PURPOSE: To discuss the '94 Texas U.S. Senate race.

BACKGROUND: Secretary Cisneros has received several telephone calls recently from prominent Texans encouraging him to run for the Senate. As you know, he is widely believed to be the strongest candidate the Democrats could field and probably the only one who could actually win the race. He has expressed some concern about breaking his commitment to you to serve at HUD. He needs to know that should he decide to make the race, you will fully support his decision.

The field for the Texas Senate contest is beginning to take shape. If Secretary Cisneros is to enter the race, he should announce his intentions soon in order to minimize the obstacles to his nomination. Former Attorney General Jim Mattox (D) announced his candidacy yesterday and Representative Mike Andrews (D) has begun to raise money for the race and has reportedly told people interested in his congressional seat to start making political contacts in his district. They and others interested in the race are getting anxious to start their campaigns knowing that they have a long and arduous task ahead of them. We believe your call will help Secretary Cisneros make this difficult decision in a timely manner.

Update on Senator Hutchison. Although the indictments against Senator Kay Bailey Hutchison (R) may be annulled due to a very minor technicality, the legal picture for her remains very cloudy. The prosecutors in the case are already presenting the case against her to another grand jury and it is assumed they will win another set of indictments against the Senator.

MACC HAS cleared

In fact, Hutchison's attorney has requested that the trial proceed without going through another grand jury. The two aides who were indicted along with Hutchison have both agreed to cooperate with the prosecutors in the case. One, David Criss, told reporters last weekend that Hutchison lied to prosecutors about the extent of her knowledge of political activity being run out of her office. Another, Michael Barron, claims that he had phone and computer records destroyed after receiving instructions from Hutchison. Finally, it was recently reported that at least two career state Treasury employees kept backup copies of the records Hutchison's aides allegedly deleted from the state's computers.

CONTACT PERSON AND

TELEPHONE NUMBER: Linda Moore, ext. 6500

DATE OF SUBMISSION: October 26, 1993

ACTION:

an elderly her name used. "Bullets don't have ple seems to believe he is invincible,

Es/Gugu

THE PRESIDENT HAS SEEN

Washington Post

FIN

Inside: Washing
Today's Contem

MONDAY, NOVEMBER 1, 1993

Prices May Vary in Areas Outside
Metropolitan Washington (See Box on A)

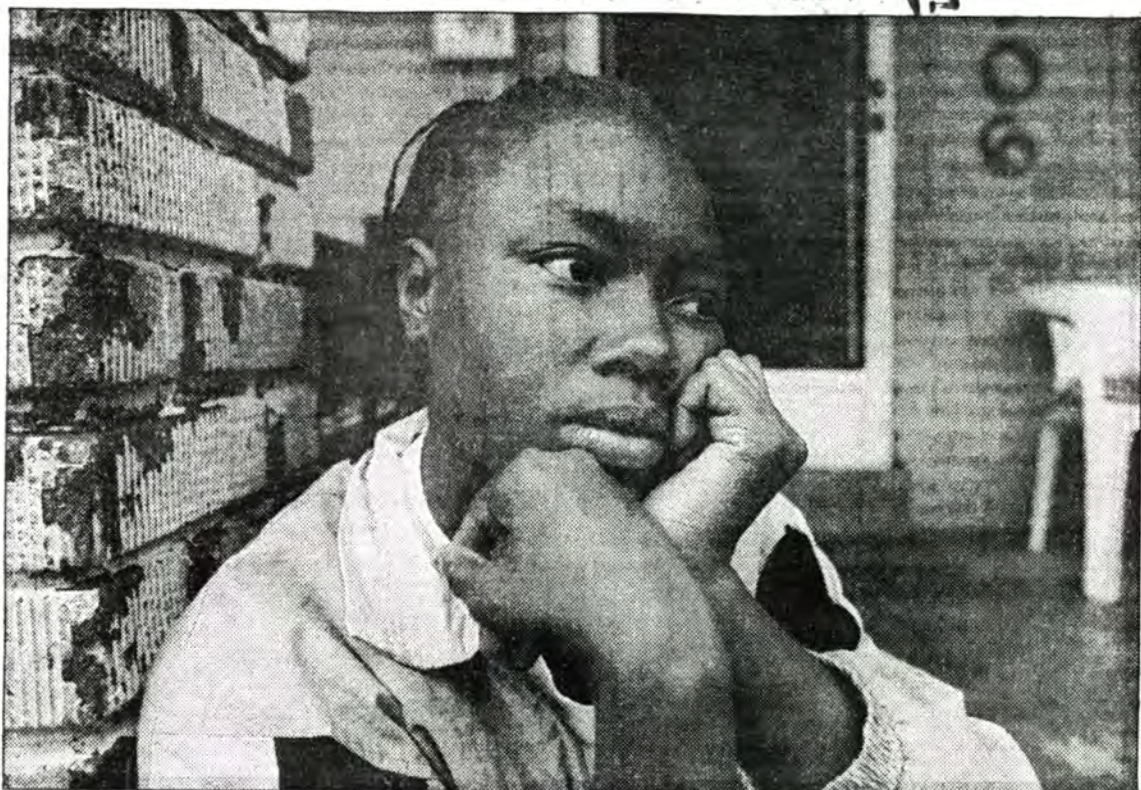
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BY MARY LOU FOY—THE WASHINGTON POST

"Most 11-year-olds think about their funerals," says Jessica Bradford, who lives in Southeast Washington.

Getting Ready to Die Young

Children in Violent D.C. Neighborhoods Plan Their Own Funerals

By DeNeen L. Brown
Washington Post Staff Writer

Jessica Bradford knows five people who have been killed. It could happen to her, she says, so she has told her family that if she should get shot before her sixth-grade prom, she wants to be buried in her prom dress.

Jessica is 11 years old. She has known since she was in fifth grade what she wanted to wear at her funeral. "I think my prom dress is going to be the prettiest dress of all," Jessica said. "When I die, I want to be dressy for my family."

such as Jessica, and by some children removed from it.

As they've mastered Nintendo, double Dutch and long division, some children have sized up their surroundings and concluded that death is close at hand. So, like Jessica, they have begun planning their funerals.

According to interviews with about 35 youths and adults who work with them, children as young as 10 have told friends how they want to be buried, what they want to wear and what songs they want played at their funerals. Some young people dictate what they want their mourners to wear and say they

Election Sought Haiti G

Army-Allied Defy U.N. T Of Wider En

By Douglas F
Washington Post Foreign

PORT-AU-PRINCE
31—A group of small
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THE PRESIDENT HAS SEEN 11/5

Thursday, November 4, 1993

Congress warned: NAFTA no quick fix for migrant influx

By MARCUS STERN
Copley News Service

WASHINGTON — Congress should not expect the proposed free-trade agreement with Mexico to lead to a quick decline in illegal immigration, Clinton administration officials warned Congress yesterday.

While the North American Free Trade Agreement (NAFTA) provides the best long-term policy for stemming illegal immigration from Mexico, the officials said, the flow could increase during the next 10 years or more regardless of NAFTA because of demographic, economic and social pressures in Mexico.

In itself, NAFTA could lead to increased migratory pressure during the next two decades because of a possible initial upheaval in the Mexican economy associated with NAFTA-related development there, said Doris Meissner, commissioner of the Immigration and Naturalization Service (INS).

But, she assured the House immigration subcommittee, Mexico is planning economic steps to lessen any interim migratory pressure caused by NAFTA, and the United States intends to beef up its border enforcement.

The bottom line, Meissner said, is that "NAFTA does not provide any further encouragement to illegal immigration either in the near or the long term beyond incentives that already exist and are in place."

Later, Meissner told reporters, "I never said, and I don't think anybody's said, that immigration (reduction) is going to improve in the short term. That's what people want to hear. That's not what we're saying..."

"We don't know what's going to happen (in the short run). It's all speculation," she said.

NAFTA's impact on immigration has increasingly become a focus of debate in advance of the scheduled Nov. 17 House vote. There has been little opposition

to the argument that NAFTA is likely to reduce illegal immigration in the long run. But there has been mushrooming discussion about its shorter-term impact.

Meissner, calling NAFTA the "best opportunity to reduce illegal immigration pressures across our southern border in the long term," added, "I wish that today we could say that this promise could happen in a short period of time. It will not. We can assume that even under the most favorable NAFTA scenario, it will take Mexico some time to address both its unemployment and underemployment effectively..."

"We're saying there could be an increase," she told the panel. "I'm not operating under the assumption there will be." But, she added, "We're preparing to counteract the possibility of greater migration" through increased border enforcement.

Donna Hrinak, the State Department's top official on Mexican affairs, and Lawrence Katz, the Labor Department's chief economist, also cautioned the subcommittee not to view NAFTA as a short-term "panacea" when it comes to illegal immigration.

Meissner, a long-time immigration scholar and former Justice Department official, told the subcommittee that research has shown that the kind of economic development NAFTA is expected to produce in Mexico could lead to increases in migration for as much as 20 years.

She told reporters after the hearing that there is "a possibility that NAFTA will stimulate migration in the short term. There are things Mexico is trying to do to mitigate that. Nobody is claiming NAFTA is a response to immigration pressure in the short term."

Research has shown that the trade agreement could disrupt portions of the Mexican economy, especially agriculture.

Handwritten note:
NAFTA
will bring
border

THE WHITE HOUSE
WASHINGTON

November 2, 1993



MR. PRESIDENT:

This was just received in
my office. I don't know
whether you have seen or
not.

Tony
John Podesta

cc: Tony Lake





THE SECRETARY OF DEFENSE
WASHINGTON, THE DISTRICT OF COLUMBIA



15 October 1993

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

OCT 2 12:33

Dear Mr. President,

As you and I have discussed, the "Bottom-Up" Review provided an important framework for the future shape of our conventional forces. It is now time to conduct a similar, comprehensive review of our nuclear forces.

While our nuclear force posture and targeting have been revised several times over the last decade, this will be the first basic policy review in well over a decade. Since that last review, the world has changed dramatically. As a result, we need to examine anew what role U.S. nuclear forces have in our political and military security strategies for the post-Cold War world. We need to conduct this examination in light of the new dangers facing the U.S. and its allies and friends in the post-Cold War era -- e.g., regional conflicts and the proliferation of nuclear and other weapons of mass destruction -- while still recognizing that the residue of the old nuclear danger remains in the form of the former Soviet Union's arsenal of weapons of mass destruction swept up in revolutionary change.

It is my intention that we brief you periodically on our progress as this work goes forward, and I hope that its results can form the basis of a replacement to the existing 12-year-old Presidential nuclear policy document. We will work closely with your staff in this entire enterprise. I intend to announce the commencement of the review early next week.

Respectfully yours,

MEMORANDUM

TO: THE PRESIDENT
FROM: BETTY CURRIE
RE: NAFTA CALLS - NOVEMBER 1, 1993

CALLS FOR NAFTA

✓ CONG. SPRATT - 225-5501

✓ CONG. SANGMEISTER - 225-3635

Went to MX - Don Can.
Big labor on river! Machine / how - Cat.
Can't tell -

✓ CONG. ESHOO - 225-8104

CONG. MINETA - 225-2631

✓ CONG. MANN - 225-2215

Rt on the main - Lot out of control - At Qatr, Nxt week,
Afraid he'll lose them. Rally Sat, will get him
a primary opponent. Help in primary. Help w/ Jch.

CONG. ROWLAND - 225-6531

CONG. GEORGE BROWN - 225-6161

✓ CONG. SHEPERD - 225-3011

✓ CONG. GORDON 225-4231

told Roy that no closing GE plant, moving to
MX - better plant - economy
cash - in this a high - went to
Nxt to camp for me - Lloyd
wants a yes answer -

CONG. DARDEN 225-2931

✓ CONG. DURBIN - 225-5271

CONG. WAXMAN - 225-3975

CONG. LEHMAN - 225-4540

Cong. Lloyd

CONG. SARPALIUS - 225-3706

CALLS FOR CRIME BILL

✓ CONG. BROOKS - 225-6565

REP. BART GORDON (D-6 TN)

103 CHOB
202-225-4231

COMMITTEES:

Budget
Rules

BACKGROUND INFORMATION:

N. Central TN district

1992 Percent of Vote: 57%

President Election: Clinton: 47%; Bush: 41%; Perot: 12%

League of Conservation Voters rating: 56

AFL-CIO COPE rating: 67

MAJOR EMPLOYERS:

PRIMARY AND FABRICATED METAL PRODUCTS: Tennessee exported over **\$1.2 billion** of these products to Mexico in 1992. NAFTA will immediately eliminate Mexico's **55% tariff** on metals such as aluminum, greatly benefitting companies such as **ALCOA and Noranda Aluminum**. Further, NAFTA's rules of origin encourage the use of North American metal products in the production of cars and trucks. Further, NAFTA will open up procurement from Mexico's national energy companies like PEMEX, which is planning to spend **\$20 billion** over the next five years to upgrade its facilities; many fabricated metal products are used in the oil and gas industry.

- **Aluminum Company of America (ALCOA)**
- **Noranda Aluminum**

ELECTRICAL AND ELECTRONIC EQUIPMENT: Tennessee exported over **\$700 million** of these products to Mexico in 1992, growing more than **250%** since 1987. An industry which employs some **33,000 workers** statewide, this sector will benefit greatly under NAFTA. Products include semiconductors and telecommunications equipment. Semiconductors will be **duty free immediately**; duties on **73%** of U.S. telecommunications equipment will be eliminated **immediately** -- virtually all will be eliminated within 5 years.

- **General Electric Co.**

FINANCIAL SERVICES: Financial services will be one of the big winners under NAFTA. Insurance companies such as **State Farm Insurance** will be allowed to either open branch offices in Mexico through acquiring Mexican companies, or start their own firm. With the former, U.S. companies can become majority owners by 1998, and own 100% by 2000. With start-ups, firms can own 100% of capital when NAFTA enters into force, subject to size limitations until 2000. U.S. financial services companies can sell their products from U.S. offices if they choose under NAFTA.

- **State Farm Insurance Companies**

REP. GEORGE SANGMEISTER (D-11 IL)

1032 LHOB
202-225-3635

COMMITTEE

Judiciary
Public Works and Transportation
Veterans' Affairs

BACKGROUND INFORMATION:

N. Central IL - Joliet district
1992 Percent of Vote: 56%
President Election: Clinton: 43%; Bush: 37%; Perot: 20%
League of Conservation Voters rating: 63
AFL-CIO COPE rating: 83

MAJOR EMPLOYERS:

TRANSPORTATION EQUIPMENT: In 1992, Illinois exported more than \$160 million in transportation equipment to Mexico. Companies such as **Ford Motor** will benefit greatly under NAFTA. NAFTA will eliminate within 10 years many of the regulations which virtually close the Mexican market to U.S. cars and trucks, allowing the Big Three to export an estimated **60,000 vehicles in the first year alone under NAFTA.**

- **Ford Motor Co.**
- **Caterpillar, Inc.**

ELECTRICAL AND ELECTRICAL EQUIPMENT: Illinois exported over \$137 million in electrical and electrical equipment to Mexico in 1992. Products include semiconductors and telecommunications equipment. Semiconductors will be **duty free immediately**; duties on **73%** of U.S. telecommunications equipment will be eliminated **immediately** -- virtually all will be eliminated within 5 years. Companies such as **Ameritech** will benefit from the liberalization of Mexico's **\$6 billion** telecommunications market under NAFTA.

- **Ameritech Corp.**

LAND TRANSPORTATION: Under NAFTA, U.S. trucking companies would have the right, for the first time, to use their own drivers and equipment for shipments into Mexico, a cross border market that is now completely controlled by Mexican carriers. Companies such as **Roadway Services, Inc.** will benefit from this increased access to a **\$3-4.25 billion** market annually.

- **Roadway Services, Inc.**

REP. DAVID MANN (D-1 OH)

503 CHOB

202-225-2216

COMMITTEES:

Armed Services

Judiciary

BACKGROUND INFORMATION:

Cincinnati district

1992 Percent of Vote: 51%

President Election: Clinton: 43%; Bush: 43%; Perot: 14%

MAJOR EMPLOYERS:

TRANSPORTATION EQUIPMENT: Ohio exported over **\$45 million** worth of transportation equipment to Mexico in 1992, including aerospace equipment. With NAFTA, US aerospace exports to Mexico will be duty free immediately.

- **General Electric** manufactures aircraft engines in Cincinnati.

CHEMICAL, RUBBER AND PLASTICS PRODUCTS: Over **131,000 people** in Ohio are employed in the chemical, rubber and plastics industries. Ohio exported almost \$200 million of these products to Mexico in 1992. Under NAFTA, Mexico will immediately eliminate tariffs on 58% of imports from the US of these products. NAFTA's elimination of tariffs will give US producers as much as a **20% edge** over potential suppliers from non-NAFTA countries.

- **Monsanto Company** had \$70 million in sales to Mexico in 1992. These exports support 300 Monsanto jobs in the US.
- **Dow Chemical Company**

CONSUMER GOODS AND MISCELLANEOUS MANUFACTURING: Ohio's exports to Mexico of miscellaneous manufactured goods grew dramatically from 1987-1992 by **2500% to \$6 million**.

- **The Procter & Gamble Company** employs 6770 people in Ohio's 1st district. Mexico is Procter & Gamble's largest market outside the US. Since Mexico opened its markets in 1986, P&G's exports of goods and services have grown from almost nothing to over \$100 million in 1992. With the elimination of Mexican duties, P&G estimates sales approaching \$200 million annually in the next five to ten years. P&G attended Jobs and Products Day at the White House.

FOOD PRODUCTS: In 1992, Ohio exported over \$25 million in food products to Mexico, an **814%** increase since 1987. As Mexican tariffs on food products are further reduced and eliminated, and import licenses disappear, the **53,000 workers** in the food products industry should continue to benefit. Removal of Canadian tariffs on US foodstuffs, which reached midpoint in 1993 and will be completed in 1998, should boost US exports above the \$3.6 billion worth in 1992.

- **Sara Lee Corporation** employees attended Jobs and Products Day.

INDUSTRIAL MACHINERY AND COMPUTERS: Ohio exported nearly **\$200 million** worth of industrial machinery and computers to Mexico in 1992, a **186% increase** since 1987. Employing over **147,000 people**, the industry is Ohio's top industrial employer. NAFTA will immediately eliminate Mexico's 10-20% tariffs on 70% of US computer equipment exports. All Mexican tariffs on these products will be eliminated within five years.

- **Milacron Co.** (machine tool production)
- **IBM Corporation**
- **ITT Corporation**

THE PRESIDENT HAS SEEN 11/5

THE WHITE HOUSE
WASHINGTON

11/2 P6:37

November 3, 1993

INFORMATION

MEMORANDUM FOR THE ~~PRESIDENT~~

FROM: KEITH MASON *KM*

SUBJECT: TECHNOLOGY REINVESTMENT PROJECT/ NEW HAMPSHIRE

B2
It would be
good if it could get on
the schedule - B2

I. SUMMARY

In accordance with our discussion last week, David Lane of the NEC has prepared the attached memo which describes New Hampshire's participation in the Technology Reinvestment Project (TRP) Grant Funding Program. As you know, the process by which the proposals are reviewed is both objective and competitive. New Hampshire may be among those to receive grants in the next group of awards.

CC. MACK
Bruce Lindsey

THE WHITE HOUSE

WASHINGTON

November 3, 1993

MEMORANDUM FOR KEITH MASON

FROM: DAVID LANE, NEC 

SUBJECT: TRP IN NEW HAMPSHIRE

I've contacted the Technology Reinvestment Project Office about the participation of New Hampshire companies and institutions in the TRP competition. As I told you over the phone, New Hampshire did not have any participants in winning projects from the first wave of announcements, which covered approximately one-quarter of all TRP grant funding.

Additional announcements will be made over the next month, and it's possible New Hampshire will have winners after all the grants are announced. Of the 2,800 proposals entered into the competition, New Hampshire firms or institutions were the primary ~~contractor in thirteen~~. Of the overall number of 12,000 firms and institutions sharing in proposals, New Hampshire is home to 64 of them. You may remember that proposals sought a total of \$8.5 billion in matching funds, with only \$472 million available.

I'll be sure and notify you of New Hampshire winners as the next wave of announcements is prepared.

Date: 11/03/93 Time: 17:50

Joint Chiefs Vice Chairman Has Bypass

WASHINGTON (AP) Adm. David Jeremiah, vice chairman of the Joint Chiefs of Staff, underwent triple bypass surgery Wednesday to relieve obstructions of his coronary arteries, the Pentagon announced.

"The surgery proceeded without complication, and full recovery is anticipated," said a statement released at the Pentagon.

The statement said Jeremiah's surgery was "completely successful" and the four-star admiral was resting comfortably in the cardiothoracic intensive care unit of the Bethesda Naval Medical Center in suburban Maryland.

The admiral is expected to remain in the hospital for a week and spend about three weeks convalescing, the statement said.

The operation was conducted one day after the admiral underwent a diagnostic heart catheterization to evaluate whether he had recurring blockages in his arteries.

He was first diagnosed with coronary artery disease in 1988 and recently had been suffering chest pain during periods of strenuous exercise, the statement said.

Jeremiah served as the acting chairman of the Joint Chiefs in the interim between Gen. Colin Powell's retirement last month and the swearing-in last week of his successor, Gen. John Shalikashvili.

APNP-11-03-93 1751EST

To: Tim Reed

Do you think we can
classify the AP wire?

John Podest

11-4-99

MR. PRESIDENT:

Thought you might
also like to see the
attached letter to the
editor - to the American
Banner RE: Gase.

shown put. John
✓ copies of both in
per. file - shown to
with to McConnel: Gen-

Copy to
Dorskind

THE WHITE HOUSE
WASHINGTON

November 1, 1993

The Honorable Eugene A. Ludwig
Comptroller of the Currency
Administrator of National Banks
Washington, D.C. 20219

Dear Gene:

Thank you for your letter. Your kind words of encouragement and support honor me.

I deeply appreciate your service in the Administration, and I look forward to working with you in the days to come as we meet the critical challenges that face our great nation.

Sincerely,

Bill

*I have the letter
Knox MacConnell with
to The American Banker
about you - Thanks for
doing a great job*



Comptroller of the Currency
Administrator of National Banks

Washington, D. C. 20219

250 E Street, S.W.
Washington, D.C. 20219

October 25, 1993

Via Fax & Mail

The Honorable William Jefferson Clinton
President
The White House
Washington, D.C. 20500

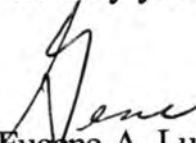
Dear Mr. President:

Since our meeting in the Cabinet Room to discuss financial services reform, I have thought long and hard whether to write you this note as it may seem too presumptuous of me. However, as you know, I have never been bashful, and I feel compelled to tell you just how proud that meeting made me of you and our country.

I sincerely doubt that in living memory a President has taken the time or had the ability to read and digest complex materials on the financial services industry and sit for well over an hour to discuss those issues with those members of his Government charged with responsibility for the area. Moreover, what was even more inspiring was that the level of the discussion was elevated not merely because it was serious and substantive, but because you continually put the interests of the country and its people, particularly the poor and disadvantaged, ahead of politics.

In a quiet, personal and dignified way you taught us a good lesson about courage and what is best about public service. As an old friend and as an American, it is an honor to serve in your Government.

Sincerely yours,



Eugene A. Ludwig



The First National Bank *of Keystone*

P. O. Drawer AA - Telephone 304/862-2531

Keystone, West Virginia 24852

J. KNOX McCONNELL
PRESIDENT

September 21, 1993

Mr. Thomas J. Ferris
Managing Editor
The American Banker
One State Street Plaza
New York, New York 10004

Dear Mr. Ferris:

I noted with great interest, an article in your great paper on Tuesday, September 14, entitled: LUDWIG KEEPING HIS DOOR OPEN TO BANKERS! Amen, Brother! This new Comptroller is "on the ball", and that is exactly what he is doing.

Let me tell you a very strange story. Approximately eight years ago, when our bank was undergoing a routine examination, the chief examiner indicated, in a confidential report to the Comptroller of the Currency, that I had taken a married woman to Asia, and this married woman was employed as a senior officer in this institution. This, of course, was untrue; however, it had nothing to do with the safety and soundness of this institution. I was so incensed that I repeatedly tried to get through to the (then) Comptroller, Robert Clarke. For seven months I was unable to get an appointment with this gentleman. I then turned to my dear friend, (then) Vice President George Bush, to intercede, in order for me to discuss this matter with the Comptroller. He appointed his Administrative Assistant, Mr. Thomas Collamore, to seek an appointment for me. But, the Vice President of the United States was unable to get an appointment for me with the Comptroller of the Currency. I then sought the help of my dear friend, Senator John Rockefeller, the great Senator from West Virginia. Senator Rockefeller was unable to get an appointment for me with the Comptroller. As a result of this problem, I never met face-to-face with the Comptroller. I just wanted to sit down with him and the examiner who falsified these records because at no time did I ever have an affair with the woman mentioned in the confidential report.

To my way of thinking, this statement damaged the integrity of our institution. Where and how this ever originated, I will never know.

I was really incensed with the Comptroller. In fact, I dubbed him, THE STEALTH COMPTROLLER, because he was so scarce, you could not pick him up with radar. I made up my mind that I was going to see this to the end, so I began a letter-writing campaign to the Senate Banking Committee, indicating that this man should not be reconfirmed as Comptroller of the Currency. Lo and behold, my wishes were answered because, as you know, Mr. Clarke was not reconfirmed. Amen, brother, the Senate Banking Committee did the right and proper thing.

Now, enter Comptroller of the Currency, Eugene Ludwig. We have an unusually fine bank, with relatively no problems. Over the past five years, we have been listed as the #6 national bank with banks ranging from \$100 million to \$1 billion. In other words, over the past five years, this institution has had earnings of over 2% on assets. I was anxious to meet this gentleman, hoping he was not another Robert Clarke. My secretary put a call through to the Comptroller of the Currency's office advising them that I would like an appointment with Mr. Ludwig. One week later, an appointment was given to me -- and two weeks later, I was sitting face-to-face with Mr. Ludwig. When I met this gentleman I found him to be intelligent and fully in command. I also felt that something better was about to begin with the regulators. To date, I have not been disappointed.

Recently, as you know, Mr. Ludwig appointed an ombudsman, which has long been needed. From what I understand, the man appointed is well-qualified, and disciplined -- but, very understanding. In addition, Mr. Ludwig wants banks to have a "level playing field", which will enable them to get into other facets of the financing business.

To date, believe me, as one who knows, I am so pleased to see this man heading a critical and necessary agency. In my opinion, we must get behind him -- and, of course, he must get behind us. I believe this will happen. In fact, I am so pleased with the selection of the new Comptroller of the Currency by the President that, who knows, I may even become a Democrat -- and that is saying something.

Let's give this Comptroller an opportunity to expand banking because I am quite sure we now have an "ear" to the problems that the bankers are facing today. Mr. Ludwig is a "breath of fresh air", from the former, "stealth" Comptroller. I am happy

September 21, 1993

to support this man, and stand behind this administration regarding banking issues. When I think back that the former Comptroller was not interested in my welfare, or my morals, it is unconscionable. It goes without saying, I do believe that the national banking system is now, and for years to come, in a much better position to do what we do best -- and that is, the business of banking.

I read the American Banker on a daily basis. For your information, it is the first thing I read in the morning.

Sincerely,

A handwritten signature in dark ink, appearing to read 'J. Knox McConnell', written in a cursive style.

J. Knox McConnell
President

ncv

bcc: Mr. Eugene Ludwig
Comptroller of the Currency✓

DESK

(FW)

please send letter to DeLoach to work

THE WHITE HOUSE
WASHINGTON

93 OCT 25 P4:58

October 18, 1993

MEMORANDUM FOR MACK McLARTY
GEORGE STEPHANOPOULOS
DAVID GERGEN
CHRISTINE VARNEY

FROM: Howard Paster

SUBJECT: Attached letter from Chairman de la Garza

We better fix this right away. If people working for this Administration threaten political retribution against Members of Congress who disagree with the President on the abortion issue we will be torn apart on Capitol Hill.

Should the President's reply specifically disassociate him from the comment of Dr. Elders?

OCT. 19/93

Howard -

I fully agree. Dr. Elders is very difficult to keep in step w the President's views as she was when he was Gov. But we will follow through to see how things can be best handled.

Wend

cc: Carolyn Christine / Sen / Geo S / Desl
Ray

THE WHITE HOUSE
WASHINGTON

DESK

October 18, 1993

MEMORANDUM FOR MACK McLARTY
GEORGE STEPHANOPOULOS
DAVID GERGEN
CHRISTINE VARNEY

FROM: Howard Paster /HP

SUBJECT: Attached letter from Chairman de la Garza

We better fix this right away. If people working for this Administration threaten political retribution against Members of Congress who disagree with the President on the abortion issue we will be torn apart on Capitol Hill.

Should the President's reply specifically disassociate him from the comment of Dr. Elders?

To: Mack
Fr: GS

bug problem

(GS)

Your recommendation for handling? I know it's a problem! MacP

Congress of the United States
House of Representatives
Washington, DC 20515-4315

October 12, 1993

The Honorable Bill Clinton
The President of the United States
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

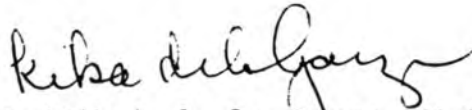
Dear Mr President

There are some of us who support you and who worked for you 100% although we were not in agreement 100% with your agenda.

Kindly tell the Surgeon General to temper her rhetoric or I might have to do it publicly.

With regards, I am

Sincerely,



E (Kika) de la Garza, M C

gap
enclosure

cc: Mr Howard Paster
The White House
✓ East Wing - Room 102
Washington, D C 20500

Elders urges women to retaliate with votes on abortion issue

Changes in health plan are opposed

By Christopher Connell

ASSOCIATED PRESS

WASHINGTON - Surgeon General Joycelyn Elders urged American women Thursday to retaliate at the voting booth if members of Congress vote to strip coverage for abortions from President Clinton's health plan.



Elders

porters.

"I would hope that our policy-

makers would not be so narrow-minded as to deny a complete range of reproductive health services in our health care reform plan for all women," she said. "If they are, I hope women would make sure they never forgot."

The draft of Clinton's health plan says it would cover "pregnancy related services." Clinton has said that means abortions would be covered, as they are now under many private insurance plans.

"To deny women an approved medical service is absolutely wrong. It should be at the discretion of a woman, her doctor and her God," said Elders.

"I do not feel any policy-maker knows enough ... or (is) good enough to make that decision for somebody else," said Elders, a former Arkansas health commissioner whose advocacy of abortion rights and frank sex education prompted conservative opposition

to her Senate confirmation.

Clinton intends to allow a "conscience clause" that would allow Catholic hospitals, individual doctors and others to refuse to perform abortions.

But conservative lawmakers, Catholic bishops and other anti-abortion groups are determined to fight for an outright prohibition on abortion coverage or at the very least to leave it up to the states.

Elders' comments came as the

House voted 311-115 to slightly ease the 17-year-old restrictions on federal aid for abortion. The measure would allow Medicaid to finance abortions for poor women who were victims of rape or incest as well as those whose lives are endangered by pregnancy.

The measure goes to the Senate, which just last week voted 59-40 to adopt identical language.

Elders said that if abortion coverage is stripped from Clinton's

health plan, "it won't be any different than it is now." Middle-class and wealthy women will be

able to obtain abortions, she said. Only the poor would be denied abortions.

Most of the individuals participating in these projects also have full-time jobs, which can make progress slow and uneven.

The Administration could encourage companies, universities and other institutions to provide 1-2 year sabbaticals to "NII Fellows" -- professionals who would have the freedom to participate in a wide range of collaborative activities such as those mentioned above.

3. State Information Infrastructure Trust Funds:

Some states use any "overearnings" from local telephone companies to finance telecommunications projects with a public interest dimension -- such as distance learning.

The Administration could encourage representatives of the relevant stakeholders (e.g. states, telephone companies, consumer advocates) to draft model legislation for consideration by all 50 states.

4. States as "Laboratories of Democracy" for the NII

There is a vast array of NII-related activity going on at the state and local level. If each of the states would take responsibility for providing information on-line about their activities, the federal government could learn from the states and states could learn from each other.

5. Pilot projects in the District of Columbia:

Ideally, you should not have to travel 3,000 miles to Cupertino to see how this technology can be applied to solving community and local government needs. The White House could support local grassroots projects such as Cap Access, a Washington, D.C.-based Freenet. ARPA is already considering networking local schools in Southeast D.C.

Tom Kacz →
Why don't we get W.H.
personnel to volunteer to help
do this.

John Podesta

T- RESIDENT HAS SEEN

THE PRESIDENT HAS SEEN

11/3/93

TOVP-~~g~~ B.

TECHNOLOGY FOR ECONOMIC GROWTH: PRESIDENT'S PROGRESS REPORT

Mr. President

This will
be released
Thursday in
CALIFORNIA AT
THE BRIE
conference;
Rosen Brown will
chair conference
see pp 3-7
Tom



November 1993



The President of the United States of America

Awards this

Presidential Medal of Freedom

to

MARTHA RAYE

A talented performer whose career spans the better part of a century, Martha Raye has delighted audiences and uplifted spirits around the globe. She brought her tremendous comedic and musical skills to her work in film, stage, and television, helping to shape American entertainment. The great courage, kindness, and patriotism she showed in her many tours during World War II, the Korean Conflict, and the Vietnam Conflict earned her the nickname "Colonel Maggie." The American people honor Martha Raye, a woman who has tirelessly used her gifts to benefit the lives of her fellow Americans.

*The White House
Washington, D. C., November 2, 1993*

William D. Clinton

THE PRESIDENT HAS SEEN 11/3

THE WHITE HOUSE
WASHINGTON

November 1, 1993

RECOMMENDED TELEPHONE CALL

TO: Acting-Governor Mark Singel
(717) 787-3300

DATE: November 1, 1993

RECOMMENDED BY: Secretary Reich
Marcia Hale

PURPOSE: To inform him of the \$ 860,000 Department of Labor's Defense Conversion Grant to the state.

BACKGROUND: The Secretary approved this \$860,000 Defense Conversion Adjustment grant from his discretionary fund pursuant to his authority under the Job Training Partnership Act-Title III.

The state requested \$1,205,537 and will only receive \$860,000 from the Department of Labor. The funding level was reduced because the number of workers which the State estimated would participate in the program appears to be too high according to DOL's experience with similar projects.

- TOPICS OF DISCUSSION:
- 1.) The grant project will serve 225 civilian workers who are being dislocated due to the transfer of the headquarters of the U.S. Army Depot System Command, from Chambersburg, Pennsylvania, to a site in Illinois.
 - 2.) The project will be operated by the Franklin Adams Employment Training Consortium, of Chambersburg, PA.

*11/1/93
1907 Clines
N. Hale
Singel
Simon
B.*

11:08

- 3.) Project participants will be provided services that will include: vocational counseling, testing job search, skills workshops, orientation, and assessment of the participants' interests, aptitudes and educational attainment. Various other supportive services such as child care and transportation assistance will also be available.
- 4.) Retraining will be accomplished through on-the-job training, individual referral training activities, and contracts with colleges, universities, secondary educational institutions, vocational, technical and private schools.

CONTACT PERSON AND
TELEPHONE NUMBERS:

Marcia Hale x 7060
Tim Jennings (Dept.of Labor) 219-6141

DATE OF SUBMISSION:

November 1, 1993

ACTION:

THE WHITE HOUSE

WASHINGTON

November 1, 1993

2:27 PM 11:08

RECOMMENDED TELEPHONE CALL

TO:

✓ Governor Lawton Chiles
(904) 488-2272

DATE:

October 29, 1993

RECOMMENDED BY:

Secretary Reich
Marcia Hale

PURPOSE:

To inform the Governor of the Department of Labor's \$500,000 Defense Conversion Grant for the state of Florida.

BACKGROUND:

Secretary Reich approved this \$500,000 Defense Conversion Adjustment grant from his discretionary fund pursuant to his authority under the Job Training Partnership Act-Title III. The State's request was for \$1,000,000.

- TOPICS OF DISCUSSION:
- 1.) The grant project will serve 120 civilian workers who are being laid off from the Grumman Corporation's aircraft repair facility in St. Augustine, Florida, because of the cancellation of the U.S. Navy's five-year, \$100 million contract for repair of A-6 Intruder bomber wings.
 - 2.) The project will be operated by the Florida Department of Labor and Employment security.
 - 3.) Project participants will be provided services that will include: assessment, career counseling, job development, job search assistance, placement, and classroom training.
 - 4.) One-third of the grant money (\$166,000) will be released immediately because this is an emergency application.

- 5.) The grant funding level was reduced from the \$1 million that was requested because the number of workers that the State estimated would participate in the program appears to be too high according to DOL's experience with similar projects. Some proposed projects costs also appeared to be excessive.
- 6.) The State will be advised that if these grant funds are used effectively and more monies are needed, a request for additional funding may be submitted for this layoff.

CONTACT PERSON AND

TELEPHONE NUMBERS:

Marcia Hale (Intergovernmental Affairs) x7060
Tim Jennings (Dept. of Labor) 219-6141

DATE OF SUBMISSION: November 1, 1993

ACTION:

11-2 730 -

THE WHITE HOUSE
WASHINGTON

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Stanley K. Sheinbaum

CS / Tony Fy-

November 1, 1993

VIA FAX

President Bill Clinton
The White House-West Wing
1600 Pennsylvania Avenue NW
Washington, DC 20500-2000

Dear Bill:

I have been watching the political nastiness surrounding the nomination of Morton Halperin to be Assistant Secretary of Defense for Democracy and Peacekeeping. I think you know Halperin but you cannot know him as well as I have. I was literally ecstatic when his nomination was announced.

From 1971 to 1973 I organized the defense team in the Pentagon Papers trial. That is a part of my checkered past that you may never have been aware of. (Quite coincidentally in another letter I am also writing you today--just as enthusiastically--about Mark Rosenbaum of that same team who is seeking a position in the Department of Justice Civil Rights Division.) In any event, Mort Halperin and I worked very closely during that period when his substantive knowledge about defense policy was an essential ingredient for a successful culmination of the trial. He was no less than brilliant and creative.

In the intervening years when I was the Chairman of the American Civil Liberties Union Foundation of Southern California until 1982 and he ran the Washington office of ACLU National we continued to maintain as solid and as gratifying a professional relationship as I have ever known.

I am writing this in a very determined way. I would hate to see your Administration lose this extremely valuable asset. Not one of his detractors can find anything negative to say about his competence or his integrity. I hate to see you withdraw another nomination--if that's really in your thinking--especially when this one is so good. I urge you to fight for his confirmation as hard as you possibly can.

Respectfully,

SKS/KC
clinton.22



Stanley K. Sheinbaum

November 1, 1993

President Bill Clinton
The White House-West Wing
1600 Pennsylvania Avenue NW
Washington, DC 20500-2000

Dear President Clinton:

With the enclosed letter I am recommending to Associate Attorney General Hubbell the nomination of Mark Rosenbaum to be in the Civil Rights Division of the Department of Justice. As you may--or may not--remember I organized the Pentagon Papers Defense Team and Mark Rosenbaum was a young up-start just out of Harvard Law who very rapidly became a mainstay in a team that included such luminaries as Leonard Boudin, Leonard Weinglass, and even Mort Halperin, though he was not an attorney.

Mark Rosenbaum in the ensuing years during my tenure as Chairman of the ACLU Foundation of Southern California was General Counsel so in that capacity I had an equally intimate experience with him. The first thing you should know is that he is not a political person in an electoral sense, but he is political in the sense of having solid liberal values as I think both you and I would define them. I will vouch without hesitation for his intelligence, and for his inventiveness in pursuing his dream of equal justice for all.

I have no reservation in saying that he would be as solid a member of that division as I could imagine. One doesn't get much chance to be so whole hearted about a nomination.

Obviously, I hope you will support this recommendation. I am including my letter to Webster Hubbell.

Sincerely,

SKS/kc
clinton.21
enclosure



From the office of the publisher:
Stanley K. Sheinbaum
 345 N. Rockingham Avenue
 Los Angeles, California 90049

November 1, 1993

Tel. 213. 472. 9544
 Fax. 213. 476. 9853

Associate Attorney General Webster Hubbell
 Department of Justice, Room 5214
 Tenth Street and Constitution Avenue NW
 Washington, DC 20530

New Perspectives Quarterly
 is published by the
 Center for the Study of
 Democratic Institutions

Nathan P. Gardels
 Editor

Dear Mr. Hubbell:

Even though the Assistant Attorney General for the Civil Rights Division has not yet been appointed--although it seems to be imminent--I am writing you in support of the interest of a very close friend and colleague, Mark Rosenbaum, Esq., for a position in that Division. I have known Mr. Rosenbaum for 22 years, ever since he and I worked together on the defense in the Pentagon Papers Trial which I organized and managed.

In the intervening years he has been the General Counsel for the American Civil Liberties Union Foundation of Southern California of which I was Chairman from 1973 until 1982. Inasmuch as I am enclosing his bio data which covers his other experience I would prefer to limit my comments about him to him as a person--and even as a worker.

He is as industrious as almost anyone I have ever known in pursuing the task before him. I am not a lawyer but each of my two situations with him were in the context of the law and I am confident in the extreme that his abilities as a strategist and as a jurisprudential thinker were almost without equal. He is not a political person in the electoral sense, rather he is more interested in the legal substance of his work.

His intelligence is unquestioned as is his integrity. And despite my emphasis on his industriousness there is also a marvelous humor about him.

I hope you will place him high among your considerations for such a position.

Sincerely,

Stanley K. Sheinbaum
 Publisher
 SKS/kc
 hubb
 enclosure

cc: **President Clinton**
John Phillips, Esq.

Advisors

Bruce Babitt

Edmund G. Brown Jr.

Walter Dean Burnham

Joan Didion

Sidney Drell

Carlos Fuentes

Marvin L. Goldberger

Armand Hammer

Rita Hausen

Ryszard Kapuscinski

Abraham Lowenthal

Walter Russell Mead

Ronald Steel

Lester Thurow

Arms Dealers Hustle Again In Mogadishu

By DONATELLA LORCH

Special to The New York Times

MOGADISHU, Somalia, Nov. 1 — Since the United Nations changed its policy in Somalia last month and said it would no longer pursue an aggressive policy of disarming Somalis, arms dealers have returned to the Bakara Market, in the heart of the city, and are once more openly selling their wares.

They report that business is good, though prices are slightly higher than they were during the civil war last year because the arms dealers still have to bypass United Nations checkpoints.

In January, the United States military made several sweeps of the market, confiscating thousands of weapons and sending the dealers underground. But Hassan Yusef, one of about 10 dealers now operating in the market, has reopened his one-room shack there and sells rocket-propelled grenades for about \$1,000, American-made M-16 assault rifles for roughly \$150 and AK-47 assault rifles for \$200.

"This is not like the days of the civil war, but business is picking up," he said, adding that most of his hardware came from Ethiopia.

"I only keep one or two for display," Mr. Yusef said, "just in case the Americans raid. If you want to buy more, we'll have to go to another house."

Down the street, Mohammed Jama showed off two automatic pistols with "U.S." written on them and boasted that they were the last of six pistols belonging to United States Army rangers killed in battle with Somali militiamen on Oct. 3. He was selling them for \$350 each.

Politics, Mogadishu Style

The United States special envoy, Robert B. Oakley, arrived here today to find the city hopping with political activity as Somali factions and elders continued their jostling for power with methods as varied as leaflet distributions, demonstrations, neighborhood shows of military force and occasional gunfire.

The groups' shows of strength and support were meant not only to impress residents of Mogadishu but also to persuade the United States and United Nations to include them in the peace negotiations.

Mr. Oakley was sent here to try to restart stalled peace talks not only between the United Nations and the Somali National Alliance — the faction headed by Gen. Mohammed Farah Aidid — but also between General Aidid's faction and others in the city and country.

General Aidid, whose faction controls most of southern Mogadishu, has so far refused to deal with the United Nations unless it rescinds its arrest warrant for him and releases more than 50 Somali prisoners. The United Nations Security Council has made no move to cancel the warrant and United Nations officials here have so far made no effort to include General Aidid's faction in any official discussions.

The Somali National Alliance has begun to compete with the United Nations in another way, issuing its own leaflets to counter those dropped almost daily by the United Nations from helicopters. Leaflets on Sunday warned all Somalis to beware of "people talking about peace but who are just mercenaries."

When water pumps in Mogadishu stopped working over the weekend because of a lack of diesel, which is supplied by the United Nations, the Aidid group immediately issued a statement accusing the United Nations of cutting off water as a tactic to force all residents of Mogadishu to turn in their weapons.

"This is yet another indication of the hostile and wicked policies employed by the U.N.," it read. "We are calling on the world community to follow and take the appropriate actions on the merciless policies which the U.N. is exercising on the Somali people."

Monopoly, Mogadishu Style

Some United Nations troops have found unusual diversions from the danger, heat and tedium of life in Mogadishu.

The New Zealand contingent built a board game with a map of the capital, including roads and sniper areas. The objective: get from the airport to the United Nations compound without getting shot.

Gibes at other countries serving in the United Nations force provide some relief. On Sunday, the United Nations military spokesman, Capt. Timothy McDavitt of New Zealand, arrived at the morning briefing in shorts, sunglasses and desert bush hat.

"Happy Halloween," he said. "Today, I'm pretending to be an Australian soldier."

But the principal diversion for the United Nations soldiers in Mogadishu has little to do with politics. For four hours every day, Specialist Ty Kendrick of the United States Army rocks Mogadishu with his music and his irreverent sense of humor. His office is flooded with fan mail and song requests. He is also a favorite among Somalis who tune in their FM radios to the Americans' 24-hour radio station.

"Midday mayhem in Mogadishu!" screams Specialist Kendrick in his signature greeting every day. "Laugh, cry, kiss your midday worries away with Ty. Today's weather: The weather has changed five times in the past 2,000 years. It's hot today."

Most days the high temperature in Mogadishu is around 105 degrees.

"I try to offend the insanity of this place," said Specialist Kendrick, a 32-year-old country singer and part-time songwriter.

*Boy
Should we do anything
else in this?*

THE PRESIDENT HAS SEEN

Barry

*Nafta
Perot
Clinton
Bush
Carville
Begala*

Victory Made (Sort of) Easy ✓

By Tony Snow
and James Carville

President Clinton plans to present the North American Free Trade Agreement to the House on Nov. 17. If that vote were held today, he would probably lose. Pro-Nafta forces can turn the tide by attending to a few critical political chores:

Take on Ross Perot. His constantly shifting assault on Nafta relies on a grab bag of distortions, falsehoods, scaremongering and xenophobia, not one iota of which can withstand serious scrutiny. Rather than fearing the Texan and his one-liners, treaty supporters need to go toe-to-toe with him.

Tony Snow, deputy assistant to the President for media affairs in the Bush Administration, is a columnist for The Detroit News. James Carville, campaign manager for Bill Clinton in 1992, is a partner in the consulting firm Carville & Begala.

Challenge him on everything: facts, anecdotes, analyses. When he swings, hit back. He showed during the Presidential campaign that he can't take a hard, direct shot.

Finesse Richard Gephardt and David Bonior. Mr. Clinton must tread lightly around two of his most important supporters, the House majority leader and minority whip, respectively. Both oppose Nafta. The most Mr. Clinton can do is strike an implicit deal: he won't go after them personally if they don't go after him. Both sides can agree to disagree.

Seize the economic high ground. Nafta would create jobs by making it easier to export goods to Mexico. The kinds of changes envisioned by the accord — lower trade and nontrade barriers — have already set off a trade boom. Since Mexico slashed tariffs in 1986, our exports have tripled and we have transformed a \$5.4 billion trade deficit into a \$5.7 billion surplus.

Nafta would eventually eliminate all trade barriers and open the floodgates for advanced U.S. products like communications technology and pollution-control equipment. Jobs in those industries pay considerably

more than the average manufacturing wage.

Two facts are critical: 70 percent of all Mexican imports come from the U.S., and other nations will rush into the market if we leave. Since 1986 Japanese exports to Mexico have increased 445 percent and German exports 361 percent.

Nafta can beat know-nothingism.

Appeal to U.S. workers. Mr. Perot and other foes of Nafta assume that our workers make more than they're worth and that capitalists will pull up stakes and move south. That's an insult: we have the world's most productive workers and best working conditions, which explains why Mercedes-Benz and BMW recently decided to build their North American plants in the United States. It also explains why 41 governors support

the pact. They know that Nafta means jobs — and votes.

Seize the geopolitical high ground. The pact would enhance national security by reducing immigration from Mexico and bolstering pro-U.S. Mexican leaders. It would set the stage for more ambitious trade agreements. And it can help Mexico reach a level of development that would mean lower levels of pollution and higher standards of public health.

Seize the moral high ground. The debate is as much about what kind of nation we want to be as it is about the virtues of free trade. A surprising number of arguments against Nafta rely on hoary stereotypes. Consider this Perot whopper: "I was going to tell you about the Mexican strike-breaking law. If and when there's a strike, they send in the state police, shoot 20 or 30 workers, clear the place out, get rid of the union, cut the wages, put everybody back to work."

The story is bogus: Mr. Perot transformed a tale about fistfights during a union-certification campaign (which the union won) into the 20th-century equivalent of the Haymarket riot. This small-minded appeal to jingoism not only batters facts, it also makes the U.S. look like the Cowardly Lion of world politics.

So far only three politicians of national stature have dared to take on this know-nothing nativism — Jimmy Carter, Bill Bradley and Jack Kemp. Others need to join the chorus and talk about real gains from trade: common economic and cultural byways, shared interests and better jobs on both sides of the border.

Shake the fence. Some Democrats and Republicans have decided to withhold support for Nafta until their pollsters assure them that it's safe. Leaders in both parties need to shake them off the fence.

Mr. Clinton's aggressive personal courting of Democrats has paid dividends. Republican leaders have started applying pressure as well. But G.O.P. leaders need to squash the idea that their party would gain politically from the defeat of Nafta, on the theory that a setback would weaken the President and pave the way to future Republican glory. Anybody who believes that is smoking rope. The only person who will gain from Nafta's defeat is Ross Perot. And he is no friend of the Republican Party. Ask George Bush.

Go bipartisan. Nafta gives Democratic and Republican leaders a rare chance to join in common cause and give voters a break from the constant skirmishing. For their sakes, and the nation's sake, they need to go for it. |

THE PRESIDENT HAS SEEN 11/3

Look North ✓

George Bush must have cracked a smile last week as those astonishing Canadian election returns poured in.

Bush has taken a lot of grief for what happened to the Republican Party in 1992, but he sure didn't do to the Republicans what Prime Ministers Brian Mulroney and Kim Campbell did to the Conservatives in Canada. The Tories, who five years ago won 169 seats in Canada's 295-member Parliament, got exactly two this year; they fell from 43 percent of the popular vote to 16 percent.

There was a lot going on up there that has rather broad application. Conservatism, triumphant during the 1980s in Canada, Britain and the United States, now hangs on only in Britain. Almost everywhere, conservatism is divided between the moderates and the red-hot right wingers, between establishmentarians and populists, between the tolerant and the nativist.

But conservatives aren't the only folks in trouble. A shaky world economy and the seeming inability of democratic governments to do much about it create nightmares for any party in power. New political parties and movements are challenging not just the incumbents but also the traditional opposition. The big news out of Canada, for example, included both the victory of the Liberal Party, led by Jean Chrétien, and the rise of two new protest movements, the separatist Bloc Québécois and the right-wing Reform Party.

These two parties frontally attacked the electoral strategy that had worked so well for Mulroney. He combined the traditional conservative vote in prairie Canada with tacit support from separatists in Quebec. A Quebecer himself, Mulroney was willing to give Quebec substantial autonomy and won most of Quebec's seats in the last two elections.

But that strategy collapsed with the rejection of two constitutional reform plans that Mulroney put forward. Western conservatives were sick of the whole Quebec question and the demands of French Quebecers. The Quebec separatists used western rejectionism as ample reason for running their own candidates.

Campbell, Mulroney's successor, couldn't hold things together. In the West, the conservative vote collapsed into the Reform Party; in Quebec, the separatists reduced the Conservatives to a single seat.

There is no U.S. counterpart to Quebec separatism, but the Reform Party's showing does have implications here. Excluding Quebec, where Reform ran no candidates, it outpolled the Conservatives by about 3 to 2, and by 52 parliamentary seats to 1. Frank Luntz, Reform's American pollster, who did work in 1992 for both Pat Buchanan and Ross Perot, argues that Reform leader Preston Manning took "the Perot style and the Republican substance and put the two of them together."

Manning attacked the centrist and establishmentarian Conservatives—they're oxymoronically known as the Progressive Conservatives—from the right, labeling them as big spenders. In what may be a sign of things to come here, Manning was also helped by fears over foreign immigration. While one Reform candidate had to step down because of overt racism, Manning tried to look moderate by calling for a reduction in immigration, not its elimination. He did not have to do more. His model could have been Louise Day Hicks, who was the leading antibusing politician during Boston's school integration wars 25 years ago. "You know where I stand," Hicks would say.

Anti-immigration voters knew the same of Manning.

But Luntz argues the immigration issue was less important to Manning than anger at Canada's political establishment. Manning, he said, conducted "real town meetings with real debate and real dialogue," which helped make Reform look like a genuine alternative to old politics. The choice, Luntz says, became one between "the arrogance of Kim Campbell and the plainness of Preston Manning." Plainness and populism won. From this, Luntz hopes, Republicans will learn to harness firm conservative convictions to a more open style. Urging a marriage of Jack Kemp's ideas and Manning's methods, Luntz wants Republicans to "throw off the \$800 Armani suits and the \$150 loafers and let people talk to us."

But Reform didn't win; Chrétien's Liberals did. Their success—and Campbell's defeat—have relevance to President Clinton and the Democrats.

In an excellent post-election analysis in the Toronto Globe and Mail, reporters Edward Greenspon and Jeff Sallot wrote that the original Conservative campaign strategy called on Campbell to argue that the difficult steps taken under Mulroney were only the means to the end of creating hope and "new opportunity."

Instead, Campbell became obsessed with Canada's budget deficit—which is proportionately even bigger than ours—and promised little economic improvement before the end of the century. "It always came back to the deficit," Greenspon and Sallot wrote. "Ms. Campbell was on a crusade, it seemed, a woman possessed."

Campbell was caught in no-person's land. The Reform Party outflanked her on the right, coming up with specific, big budget cuts. More moderate voters, in the meantime, feared she'd slash social programs.

Chrétien, as traditional a pol as you'll find, understood that the deficit was never going to be his issue. So he played down the deficit in favor of jobs and economic growth, noting that without growth, the deficit will never go away. While his program was moderate, it included a commitment to new public works spending to put people back to work. "We have to concentrate all our efforts on the economy to create jobs, to have economic growth, to give dignity to the workers who want to work across this land," Chrétien said. This approach had broad appeal, and was especially attractive to voters who had supported the left-leaning New Democratic Party in recent elections. The vote for the NDP, as the party is known, collapsed to Chrétien's benefit, especially in Ontario.

The lesson for Democrats here is that fiscal austerity, however necessary it may be at times, is almost never a winning issue for a party whose votes come from both the center and the left. If voters really want austerity, they'll look for the real thing from the right.

Yes, Democrats need to be fiscally responsible, just as Chrétien tried to be. He won, says Luntz, because "he was more compassionate than the Tories and less spend-crazy than the NDP." But Democrats who think that yet more big budget cuts are the secret to success need to study how Chrétien won—and how Campbell lost. Jobs and growth almost always beat austerity. Now, Chrétien, like Clinton, faces only the small problem of delivering the jobs and producing the growth.

Harley Shaiken and Sander Levin ✓

NAFTA: The Japan Card

The ever-shifting sands of the debate over the North American Free Trade Agreement have shifted again. Proponents of NAFTA now argue that if the United States doesn't strike a deal with Mexico, Japan will.

Facing difficulties selling NAFTA on its merits, the agreement's supporters are now trying to play the Japan card. At a White House event last month, the message was that rejecting NAFTA would spur large Japanese investments south of our border and a flood of Japanese products coming through the "back door" from Mexico. Lee Iacocca is even more blunt, asserting that "the Japanese think NAFTA is a bad deal because it's good for us and it's bad for them."

Are these fears realistic? In fact, this argument stands reality on its head. The Japanese have more to gain with NAFTA than without it and are less likely to become a major presence in Mexico if the present agreement is voted down.

Rather than being poised to rush into Mexico in the wake of a no vote, Japanese firms are waiting for NAFTA to pass before deciding on major new investments. The reason is simple. Japan is far more interested in sales to the United States than in entering the small Mexican market. Japanese companies would like to use a Mexican production base to supply the U.S. market if investment security and low tariffs are guaranteed. NAFTA provides those guarantees. Moreover, Japan could ship more goods without exacerbating trade frictions, since Sony televisions or Nissan cars made in Mexico and sold in the United States don't add to Japan's trade surplus. They are charged to Mexico's account.

With or without this agreement, Mexico's primary trading partner will remain the United States. In the first six months of 1993 more than 80 percent of Mexico's exports and 70 percent of its imports involved the United States. In contrast, Japan accounted for about one percent of Mexico's exports and 5 percent of its imports. Despite a far smaller volume of trade, however, Mexico's trade deficit with Japan was \$1.3 billion, more than half the size of Mexico's deficit with the United States.

This ballooning deficit raises a critical point: Mexico can offer Japan increased access to the Mexican market but is unlikely to gain better access to the Japanese market in return, as the United States and almost all other countries in the world can attest. If Mexico is interested in rapidly increasing its trade

deficit, then trade with Japan certainly offers possibilities, but it is highly unlikely that one-way trade is Mexico's goal. Moreover, Mexico cannot guarantee access for the Japanese to the U.S. market without NAFTA, diminishing Japan's interest in Mexico.

While its argument that Japan will strike a deal with Mexico is plainly wrong, the Clinton administration's more aggressive policy toward Japan is right on target. But the more the administration pursues this policy, the more the question is raised: If the failed trade policies of the '80s teach us to get tough in creating a more level playing field with Japan, why do they not counsel us also to get realistic in dealing with the unlevel playing field confronted in integrating our economy with Mexico?

In the '80s the United States went through a process of denial that there was a trade problem with Japan. A chorus of academia, media and others sang the "free trade" liturgy and dismissed any criticism as mere protectionism. This ideological onslaught polarized the debate and deprived the nation of the honest evaluation of trade policy that was needed.

Yet, with respect to Mexico we are going through the same process of denial that we went through with Japan in the '80s. True, the source of the unlevel playing field is different—with Japan it was government promotion of informal trade barriers and exclusionary corporate sourcing practices, while in the case of Mexico it is a government policy of holding down wages and denying labor rights in order to attract investment. But while the source is different, the effect can be much the same. U.S. business and workers are forced to make a "Pickett's charge" on a badly tilted playing field.

The way to judge NAFTA is on the merits of the agreement itself, not on the specter of Japanese involvement. In fact, the deployment of the Japan argument at this late date indicates that supporters are running out of plays. Ironically, bringing up Japan underscores the similarities between the failed Japan policy of the '80s and the flawed Mexico policy embodied in NAFTA. Playing the Japan card does not remedy the flaws in the present agreement and will not save NAFTA in the House.

Harley Shaiken is a professor at the University of California, Berkeley. Sander Levin is a Democratic representative from Michigan.

← March / ce Reform / tyon Gugen / 65

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THE WASHINGTON POST TUESDAY, NOVEMBER 2, 1993

11-2-93

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THE PRESIDENT HAS SEEN 725

U.S. Department of Justice

Drug Enforcement Administration

100 P5:47

Office of the Administrator

Washington, D.C. 20537

October 22, 1993

President William J. Clinton
The White House
Washington, D.C. 20500

Dear President Clinton:

This is to advise you that I am resigning as the Administrator of Drug Enforcement and as the head of the Drug Enforcement Administration (DEA), effective October 31, 1993, in order to return to private life.

It has been a privilege for me to serve as the DEA Administrator since my appointment to this office on July 30, 1990, and I greatly appreciate the opportunity you have given me to serve into your Administration and under Attorney General Janet Reno.

In my view, there is no greater threat facing America than that posed by drug abuse and drug trafficking, and the associated social harms that arise from them. I join with all Americans in wishing you great success in the fight against the scourge of drugs, a fight so important to the future well-being of our children and our nation. I believe you will find that DEA can and will make substantial contributions in implementing the drug control strategy adopted by your Administration for our nation.

Respectfully yours,

Robert C. Bonner
Administrator of Drug Enforcement

cc: The Attorney General

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. list	re: Table of Contents (1 page)	11/01/1993	b(6)

COLLECTION:

Clinton Presidential Records
Staff Secretary
John Podesta (Chron Files)
OA/Box Number: 2242

FOLDER TITLE:

November 1-6, 1993 [1]

2018-0662-S

rs3074

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.

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RR. Document will be reviewed upon request.

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- 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: 11/03/93

THE VICE PRESIDENT
MACK MCLARTY
DAVID GERGEN
TO: 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

THE CHAIRMAN

November 2, 1993 10:20 PM 6:20

MEMORANDUM FOR THE PRESIDENT

FROM: LAURA D. TYSON *Laura D. Tyson*
SUBJECT: State Unemployment Rates in September, Labor
Department Release, Wednesday, November 3,
10:00 a.m.

Tomorrow the Labor Department will release State unemployment data for September. The attached map shows ranges of unemployment rates by State. Also attached is a listing showing unemployment rates by State -- ranked from lowest to highest.

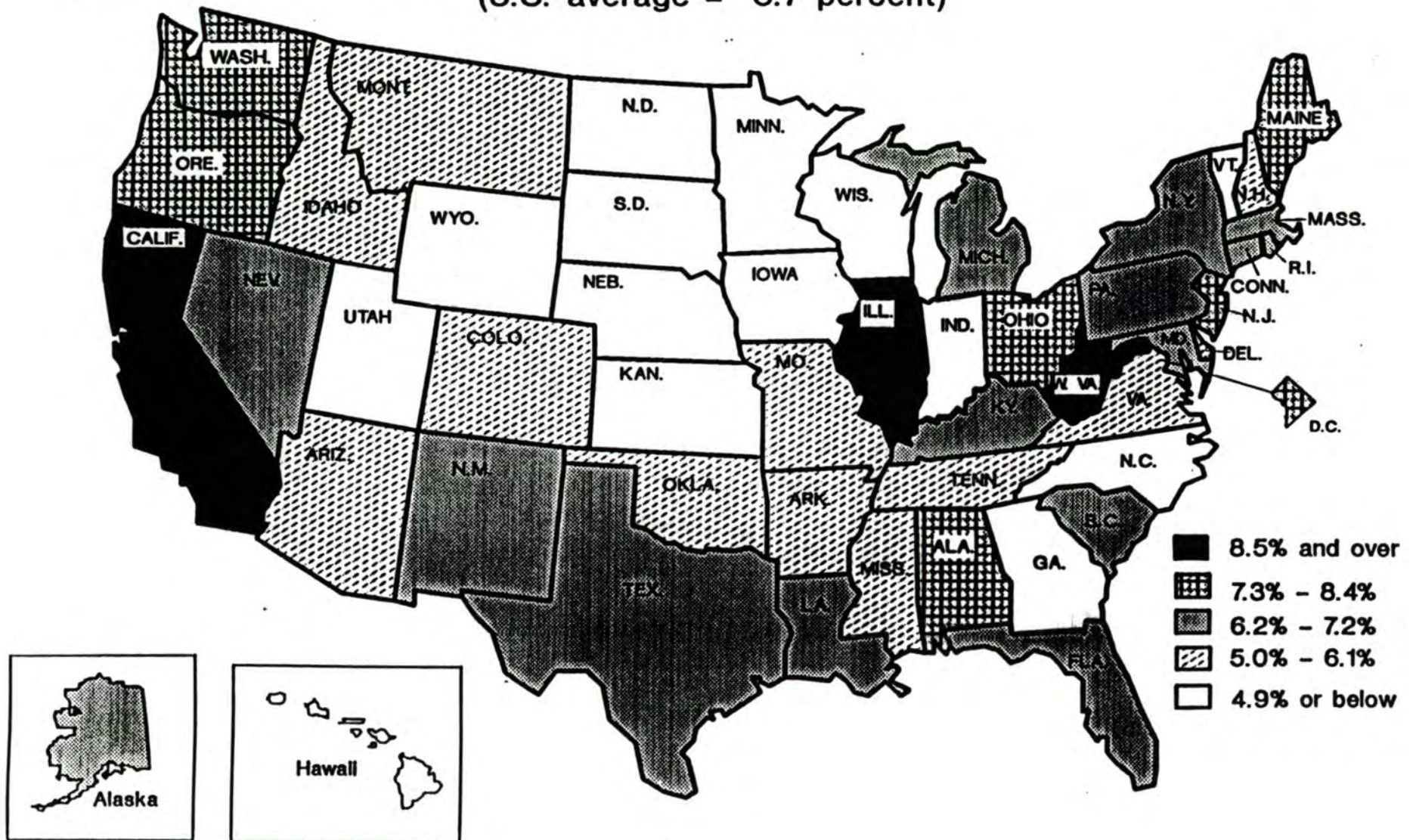
- o The highest unemployment rates were, as in the previous month, in California and West Virginia.
- o The lowest unemployment rates were in Nebraska and Utah.
- o The biggest decrease in unemployment rates from August to September was in the District of Columbia (from 8.7 percent to 7.3 percent). Among States, Wyoming and Montana had the largest decreases (down 1.3 and 1.1 percentage points to 4.9 percent and 5.6 percent respectively). The biggest increase was in Ohio (from 5.6 percent to 7.3 percent).

State unemployment rates can be volatile from month to month because of small sample sizes. The second chart, therefore, shows changes in unemployment rates by State over the past 12 months -- ranked from largest decline (Mississippi and Georgia) to largest increase (Illinois and South Carolina). Despite the national recovery, unemployment rates are still higher than they were a year ago in 12 States.

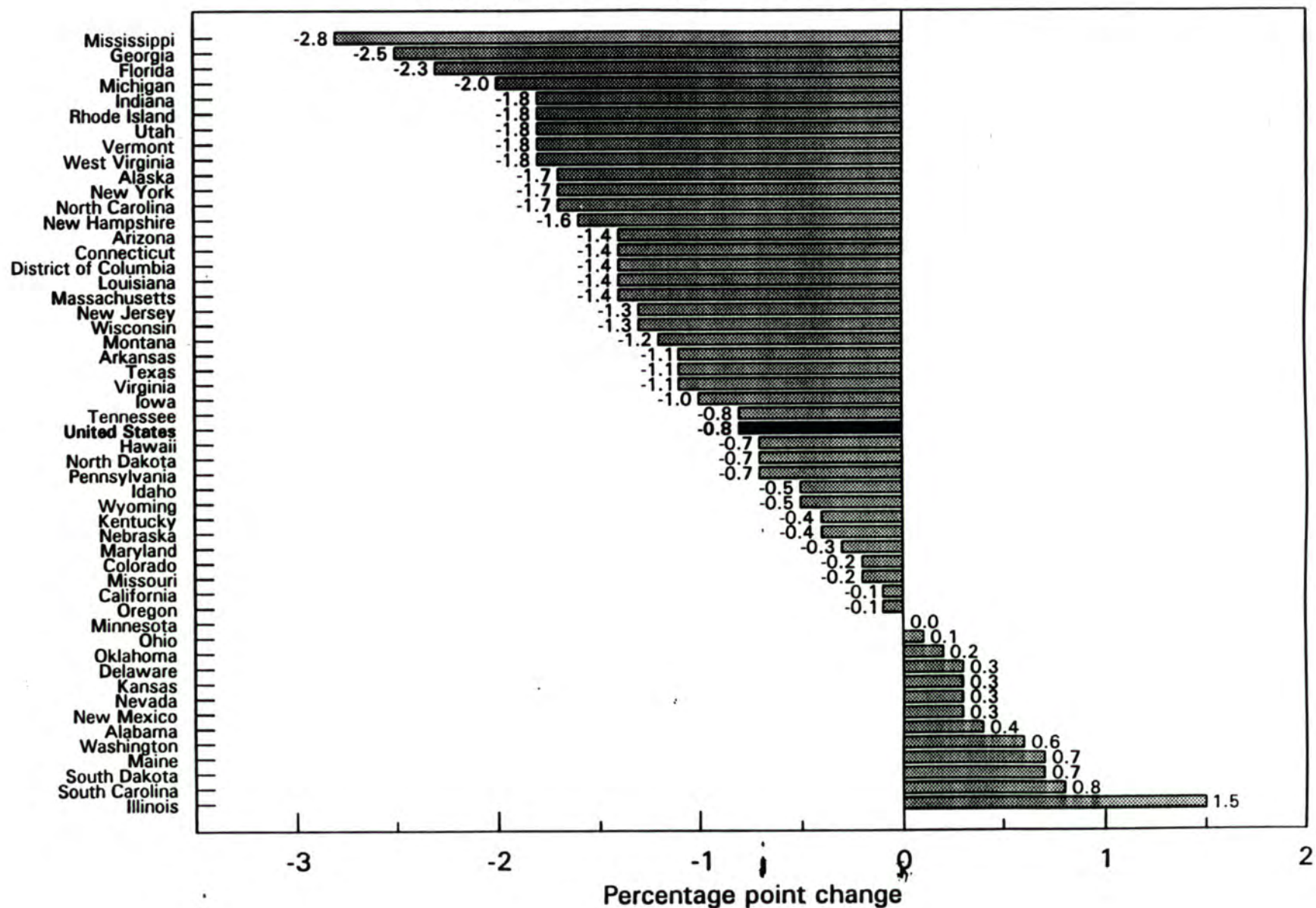
Attachments

Unemployment rates by state, seasonally adjusted, September 1993

(U.S. average = 6.7 percent)



Change in Unemployment Rate by State: September 1992 - September 1993



THE WHITE HOUSE
WASHINGTON

DATE: 11/02/93

NOTE FOR: BERNIE NUSSBAUM
CHERYL MILLS

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:

11-2-93

THE WHITE HOUSE
WASHINGTON

November 1, 1993

MR. PRESIDENT:

Attached is a decision memo from Bernie Nussbaum and Cheryl Mills recommending a process for handling applications for executive clemency. Note that initial recommendations always come from Justice and are then reviewed by White House Counsel. In essence, the process would work like this:

(i) **Where Justice recommends denial in non-sensitive cases:** Counsel's Office will recommend summarily denying clemency; will forward a list of these denials to you; and, if you have not expressed a contrary view or asked for additional information within a set period of time -- e.g. two weeks -- Counsel will forward its denial memo to Justice.

(ii) **Where Justice recommends granting application or denying in sensitive cases:** Counsel will indicate whether or not they agree with Justice and will forward to you its own memo (which, depending on the circumstances, may simply concur in Justice's recommendation or be more detailed) together with Justice's memo.

Approve ☒ Disapprove ☐ Discuss ☐
process

TDS
Todd Stern

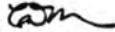
THE WHITE HOUSE

WASHINGTON

October 18, 1993

MEMORANDUM FOR THE PRESIDENT

FROM: BERNARD W. NUSSBAUM
COUNSEL TO THE PRESIDENT

CHERYL MILLS 
ASSOCIATE COUNSEL TO THE PRESIDENT

SUBJECT: Exercise of Presidential Clemency Power

I. ACTION - FORCING EVENT

The Counsel's Office has begun receiving memoranda from the Department of Justice recommending denial of requests for clemency. We now are at the point where we need your approval on a process for exercising your presidential clemency power.

II. BACKGROUND

Since your election there has been a dramatic increase in the number of applications for executive clemency, reaching the level of 870 new applications for the 1993 fiscal year. By comparison, in fiscal years 1991 and 1992 there were 315 and 379 new applications, respectively.

Under the Constitution, the President may pardon or commute the sentences of individuals or classes of individuals, and may relieve them from some or all of the consequences of their criminal conduct under federal law. Executive clemency generally takes the form of pardon after completion of sentence or commutation of sentence to time served or parole eligibility; remission of fine or reprieve are less common forms of clemency.

As a matter of historical interest, President Kennedy granted clemency (pardons and commutations) to approximately 41% of all applicants; President Johnson to 30%; President Nixon to 26%; President Ford to 31%; President Carter to 22%; President Reagan to 13%; and President Bush only to 5% of the applicants. The Justice Department favors the regular exercise of clemency power, to ensure the meaningful preservation of this prerogative to the President.

As you know, the Pardon Attorney at the Department of Justice makes recommendations to the Deputy Attorney General regarding each clemency applicant. The Deputy Attorney General then makes a recommendation to the White House Counsel's Office regarding the disposition (grant or denial) of an application.

Historically, the Counsel Office's review of pardon and commutation cases has been perfunctory, except in cases deemed particularly sensitive and meriting inquiry. Since this deference was a well-established fact, it provided the President with some level of protection in the event of embarrassment. This perception may have been somewhat dampened by the previous administration, however, whose Counsel's Office was the first to take an expansive role in reviewing pardon cases.

III. PROPOSED PRESIDENTIAL CLEMENCY PROCESS

Denial of Clemency in a Routine Matter. To ensure the consistent exercise of your clemency power, we recommend a procedure in which the Counsel's Office, after reviewing the Justice Department's recommendations, summarily denies clemency for those applicants who have received negative recommendations and whose cases are not sensitive. We will regularly provide you with a list identifying the individuals for whom we will be denying clemency, consistent with the Justice Department's negative recommendation. If you do not indicate a desire to receive more information about any of the candidates within an established period of time (e.g., two weeks), we will forward a denial memorandum to the Department of Justice.

Granting of Clemency in Any Matter and Clemency Action in a Sensitive Matter. When the Justice Department forwards either a recommendation to grant clemency in any matter or a sensitive denial of clemency for an applicant, the Counsel's Office will carefully review the Department's recommendation memorandum. We then will seek any additional information that we need to make an independent recommendation to you regarding such an applicant.

In cases where we agree with the Justice Department's recommendations to grant clemency to candidates, we will forward a list to you identifying those individuals for whom we recommend clemency. We will attach a supporting memorandum for each candidate, should you elect to review any or all of them. When we receive a response from you indicating agreement or disagreement with any of the recommendations for clemency, we will forward the appropriate decision on behalf of the identified candidate to the Justice Department.

In cases where we do not agree with the Department's recommendation for clemency for a particular applicant, we will provide you with a memorandum stating our conclusions as to the appropriate disposition of the case. We will also provide you with the Justice Department's recommendation memorandum, should you desire to review it. You then can decide whether you wish to grant or deny clemency to the candidate in question.

For all candidates whose clemency applications are sensitive for any reason, we will provide you with a memorandum in support of, or in opposition to, the Justice Department's recommendation for disposition of the case. In our memorandum, we will highlight additional factors you may wish to consider in making your decision.

IV. RECOMMENDATION

We recommend that you approve the described procedure to exercise your clemency power. It is our hope that this power will be exercised in a consistent and regular fashion, with the goal of forgiving those candidates who have demonstrated circumstances meriting a pardon or commutation of their sentence. In all instances you will be informed as to what action is being taken on behalf of each candidate.

V. DECISION

- ☐ Approve
- ☐ Approve as modified (indicate modifications in text)
- ☐ Disapprove

MR. President:

Thought you might
also like to see the
attached letter to the
editor - to The American
Banner RE: Gase.

Should put John
copy of both in
Pres. file - should do
with to McConnell re: Gase -

copy to personal file.
Copy to ~~into~~ Dorskind
~~for~~ note from P

THE WHITE HOUSE
WASHINGTON

November 1, 1993

The Honorable Eugene A. Ludwig
Comptroller of the Currency
Administrator of National Banks
Washington, D.C. 20219

Dear Gene:

Thank you for your letter. Your kind words of encouragement and support honor me.

I deeply appreciate your service in the Administration, and I look forward to working with you in the days to come as we meet the critical challenges that face our great nation.

Sincerely,

Bill

*I hope the letter
Knox McConnell wrote
to The American Banker
about you - Thanks for
doing a great job*



Comptroller of the Currency
Administrator of National Banks

Washington, D. C. 20219

250 E Street, S.W.
Washington, D.C. 20219

October 25, 1993

Via Fax & Mail

The Honorable William Jefferson Clinton
President
The White House
Washington, D.C. 20500

Dear Mr. President:

Since our meeting in the Cabinet Room to discuss financial services reform, I have thought long and hard whether to write you this note as it may seem too presumptuous of me. However, as you know, I have never been bashful, and I feel compelled to tell you just how proud that meeting made me of you and our country.

I sincerely doubt that in living memory a President has taken the time or had the ability to read and digest complex materials on the financial services industry and sit for well over an hour to discuss those issues with those members of his Government charged with responsibility for the area. Moreover, what was even more inspiring was that the level of the discussion was elevated not merely because it was serious and substantive, but because you continually put the interests of the country and its people, particularly the poor and disadvantaged, ahead of politics.

In a quiet, personal and dignified way you taught us a good lesson about courage and what is best about public service. As an old friend and as an American, it is an honor to serve in your Government.

Sincerely yours,



Eugene A. Ludwig



The First National Bank *of Keystone*

P. O. Drawer AA - Telephone 304/862-2531

Keystone, West Virginia 24852

J. KNOX McCONNELL
PRESIDENT

September 21, 1993

Mr. Thomas J. Ferris
Managing Editor
The American Banker
One State Street Plaza
New York, New York 10004

Dear Mr. Ferris:

I noted with great interest, an article in your great paper on Tuesday, September 14, entitled: LUDWIG KEEPING HIS DOOR OPEN TO BANKERS! Amen, Brother! This new Comptroller is "on the ball", and that is exactly what he is doing.

Let me tell you a very strange story. Approximately eight years ago, when our bank was undergoing a routine examination, the chief examiner indicated, in a confidential report to the Comptroller of the Currency, that I had taken a married woman to Asia, and this married woman was employed as a senior officer in this institution. This, of course, was untrue; however, it had nothing to do with the safety and soundness of this institution. I was so incensed that I repeatedly tried to get through to the (then) Comptroller, Robert Clarke. For seven months I was unable to get an appointment with this gentleman. I then turned to my dear friend, (then) Vice President George Bush, to intercede, in order for me to discuss this matter with the Comptroller. He appointed his Administrative Assistant, Mr. Thomas Collamore, to seek an appointment for me. But, the Vice President of the United States was unable to get an appointment for me with the Comptroller of the Currency. I then sought the help of my dear friend, Senator John Rockefeller, the great Senator from West Virginia. Senator Rockefeller was unable to get an appointment for me with the Comptroller. As a result of this problem, I never met face-to-face with the Comptroller. I just wanted to sit down with him and the examiner who falsified these records because at no time did I ever have an affair with the woman mentioned in the confidential report.

To my way of thinking, this statement damaged the integrity of our institution. Where and how this ever originated, I will never know.

I was really incensed with the Comptroller. In fact, I dubbed him, THE STEALTH COMPTROLLER, because he was so scarce, you could not pick him up with radar. I made up my mind that I was going to see this to the end, so I began a letter-writing campaign to the Senate Banking Committee, indicating that this man should not be reconfirmed as Comptroller of the Currency. Lo and behold, my wishes were answered because, as you know, Mr. Clarke was not reconfirmed. Amen, brother, the Senate Banking Committee did the right and proper thing.

Now, enter Comptroller of the Currency, Eugene Ludwig. We have an unusually fine bank, with relatively no problems. Over the past five years, we have been listed as the #6 national bank with banks ranging from \$100 million to \$1 billion. In other words, over the past five years, this institution has had earnings of over 2% on assets. I was anxious to meet this gentleman, hoping he was not another Robert Clarke. My secretary put a call through to the Comptroller of the Currency's office advising them that I would like an appointment with Mr. Ludwig. One week later, an appointment was given to me -- and two weeks later, I was sitting face-to-face with Mr. Ludwig. When I met this gentleman I found him to be intelligent and fully in command. I also felt that something better was about to begin with the regulators. To date, I have not been disappointed.

Recently, as you know, Mr. Ludwig appointed an ombudsman, which has long been needed. From what I understand, the man appointed is well-qualified, and disciplined -- but, very understanding. In addition, Mr. Ludwig wants banks to have a "level playing field", which will enable them to get into other facets of the financing business.

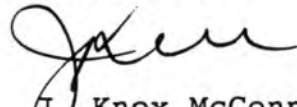
To date, believe me, as one who knows, I am so pleased to see this man heading a critical and necessary agency. In my opinion, we must get behind him -- and, of course, he must get behind us. I believe this will happen. In fact, I am so pleased with the selection of the new Comptroller of the Currency by the President that, who knows, I may even become a Democrat -- and that is saying something.

Let's give this Comptroller an opportunity to expand banking because I am quite sure we now have an "ear" to the problems that the bankers are facing today. Mr. Ludwig is a "breath of fresh air", from the former, "stealth" Comptroller. I am happy

to support this man, and stand behind this administration regarding banking issues. When I think back that the former Comptroller was not interested in my welfare, or my morals, it is unconscionable. It goes without saying, I do believe that the national banking system is now, and for years to come, in a much better position to do what we do best -- and that is, the business of banking.

I read the American Banker on a daily basis. For your information, it is the first thing I read in the morning.

Sincerely,

A handwritten signature in dark ink, appearing to read 'J. Knox McConnell', with a stylized flourish at the end.

J. Knox McConnell
President

ncv

bcc: Mr. Eugene Ludwig
Comptroller of the Currency✓

11/2 Chron
Bill Haley -

The President
wants a date set
to Duncy. Seal
back through for
his signature NB

MAINE VOICES

TRADE

NAFTA: Pros and cons

Pact will bring jobs and exports

By ROBERT J. DUNFEY JR.

Recently I attended a briefing on the North Atlantic Free Trade Agreement at the White House.

I am now convinced NAFTA is one of the most promising trade agreements we have ever considered. It could significantly increase U.S. exports and jobs and improve environmental conditions along our southern border and within Mexico.

NAFTA will create the largest free trade zone in the world. It will give U.S. companies an advantage over European and Asian companies competing in the

ABOUT THE AUTHOR

Robert J. Dunfey Jr. of York is president of the Dunfey Group of Portsmouth, N.H., a real estate and hotel firm.

Western Hemisphere. Under NAFTA, only products from North American sources will be given preferential treatment. It is anticipated similar agreements will

follow with other Latin American countries.

Mexico is the third-largest trading partner with the United States and the second-greatest importer of U.S. products. Since 1987, when Mexican tariffs started decreasing, a \$5.7 billion trade deficit with Mexico became a \$5.6 billion trade surplus in 1992.

Mexican tariffs are now on average 2.5 times greater than the U.S. tariffs. Within five years of the implementation of NAFTA, two-thirds of U.S. industrial product exports will enter Mexico duty-free.

The lower tariffs have increased U.S. jobs by 400,000 since 1987. Over 700,000 U.S. jobs are now supported by exports to Mexico. Under NAFTA it is expected that 200,000 more jobs will be created in the first year and only 14,000 jobs will be eliminated.

Many opponents of NAFTA fear it will cause a net reduction of U.S. jobs, due to low wages in Mexico. If low wages are going to attract U.S. firms to locate facilities in Mexico, they will do so regardless of NAFTA.

During 1992 each Mexican on average purchased \$49 worth of U.S. products, \$2 more than the average resident of Japan, where incomes are dramatically higher. Maine's exports to Mexico have grown more than 700 percent since 1988.

Insecurity among workers

Much opposition to NAFTA is a result of insecurity in the U.S. work force caused by the weak economy. As a result, many workers believe the misinformation being spread by NAFTA opponents like Ross Perot.

NAFTA provisions also address serious environmental problems in Mexico and along the border which migrate into U.S. communities. This is the first trade pact which deals with environmental protection and serves as a precedent for future trade pacts. This agreement addresses hazardous waste cleanup as well as instituting preventive measures.

The media have left many with the impression that environmentalists oppose NAFTA. In fact, the agreement has the support of all major national environmental groups except one.

By advocating NAFTA, the Clinton administration risks losing the support from labor groups and unions. However they are convinced the fears of job loss will subside soon after the implementation of NAFTA.

Support of NAFTA is bipartisan, including both Senate Majority Leader George Mitchell, D-Maine, and Senate Minority Leader Robert Dole, R-Kan., as well as all living former presidents.

If this country's lawmakers were less concerned about where their next election's campaign funds will come from, I am convinced there would be sufficient bipartisan support to pass NAFTA now.

- Special to the Press Herald

Yes to free trade, but no to this treaty

By CHARLES O'LEARY

On behalf of organized labor in Maine, I would like to comment on the column on the North American Free Trade Agreement by Editorial Page Editor George Neavoll in the Oct. 3 Maine Sunday Telegram.

Organized labor believes that this is a clear misstatement of the true nature of the problem facing Congress and the American people. The AFL-CIO and most, if not all, international unions have made it abundantly clear that they support increased trade and creation of a trading bloc as necessary to what Mr. Neavoll calls

ABOUT THE AUTHOR

Charles O'Leary is executive director of the Maine AFL-CIO in Bangor.

"national expansion and prosperity." To claim otherwise is to set up a phony and misleading debate. The real question, the question which will determine the

future and prosperity of this country for many years to come, is whether or not this particular NAFTA treaty - all 2,000 pages of it plus numerous side agreements - is the instrument we should be supporting and voting for in order to reach the goals on which we are virtually all agreed.

Organized labor says this treaty, negotiated by the Reagan and Bush administrations, does not further the goals of this nation in the long or short run.

Neavoll says Mexican trade barriers average 10 percent while U.S. tariffs on Mexican goods average only 4 percent, thus making an end to barriers to our advantage. What he does not mention is that NAFTA carries no guarantee at all against devaluation of the peso, which would instantly destroy any advantage we might obtain.

Economists not unanimous on NAFTA

Neavoll says "economists are virtually unanimous" about the benefits of NAFTA. In fact the most reputable economists are badly divided about both the short-term and long-term impact of NAFTA.

He claims that "virtually every major US environmental organization supports NAFTA strongly." Three environmental groups - the Sierra Club, Public Citizen and Friends of the Earth - sued the government to try to force it to include an environmental impact statement in the NAFTA agreement.

Neavoll states that a study by the International Trade Commission "puts the number of new jobs directly attributable to NAFTA at 200,000 by 1995."

This may be one way of looking at the ITC study, but Keith Bradsher of The New York Times chose to sum up the study by saying that the federal agency "has found that the pact (NAFTA) will help overall American output and employment slightly, while producing job losses in auto, household appliance and apparel manufacturing."

The study actually estimates that employment would go up more than 6 percent in Mexico and only eight-tenths of a percentage point in the United States.

While Neavoll spends time touting the benefits of NAFTA and a claimed eventual gain of 200,000 American jobs, he tries to end debate on this point by, at the same time, saying jobs is a "phony issue." On the contrary, it is part and parcel of NAFTA.

The bottom-line viewpoint of organized labor in Maine and the nation is clearly expressed in its three-word slogan - "Not This NAFTA."

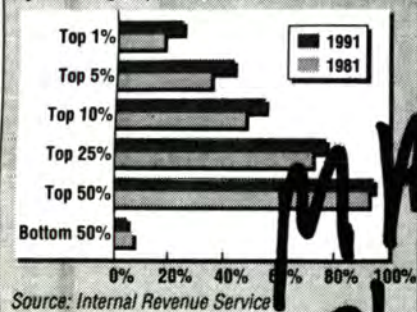
We are not opposed to free trade, or expanded trade or trading blocs. We are strongly and irrevocably opposed to this particular NAFTA treaty as being ill-conceived, hastily and secretly negotiated, detrimental to the short and long-term best interests of the nation and harmful if not disastrous to American workers.

- Special to the Press Herald

nized so often as some sort of useless bacchanalian revel. The IRS data sug-

Tax Shares and the Rich

Percent of federal individual income taxes paid by income group, 1981-1991.



Source: Internal Revenue Service

gest that for accuracy's sake Mr. Clinton should amend that list quite a bit above: Those "very people" saw their tax rates go down, but their share of total federal income taxes rose. The share paid by the wealthiest 1% rose to 24.6% in 1991 from 17.6% in 1981. The latest data from the Internal Revenue Service show that while top income earners did prosper during the 1980s, the share of tax they paid was larger relative to their share of income.

Interestingly, these IRS figures also show that the total tax paid and the share of tax paid by top earners declined later in the decade and into 1991. This, of course, is the period that included both a recession and the Bush-Mitt Romney tax cut, followed by a Clinton tax hike in the top rate in 1990.

Mr. Clinton is likely to find that the 1980s golden egg of rich and willing taxpayers will turn elusive for the same reason that the tax cuts of the 1980s yielded more revenue.

The tax rate cuts in the 1980s created strong incentives to work and produce more, creating more income and yes, wealth. In turn that meant these people paid more in taxes. For instance, the cut in the top tax rate to

where or by diverting their extra energies and talents to leisure. In short, working all the time becomes a poor investment, but spending some of that time on tax lawyers returns as a relatively better investment.

And it's getting easier. The scope for avoiding taxes has increased in the years since low rates on top-earners were the vogue among the policy-makers of the 1980s. In a world economy that has become more international and more electronic, the cost of redeploying assets has become easier.

But tax lawyers at the top of the middle-class income scale aren't so fortunate: Having the same access to dodges and tax wizards, they'll bear the full brunt of the higher rates. Of course few of these people were actually part of the 1980s income bonanza that sickens the Clintons. Instead, just as they worked their way up to peak earning power in the 1980s, Bill Clinton arrives to denounce them as robber barons and demand that they turn much of their income over to the seminararians on the congressional budget committees. That also means they won't be spending much in America's fits-and-starts recovery.

We suspect that the IRS revenue effects of taxes on the truly rich as detailed by the IRS data are largely irrelevant in the minds of the Clintons and their atavistically egalitarian disciples, such as their much-campaigned-for tax clerk in New Jersey, Gov. Jim Florio. Their argument for steeply progressive taxes is essentially moralistic, based on a worldview born in social democratic circles about 60 years ago. Amount of real-world experience with actual revenue dynamics will alter this theology. So for the near term, the super-rich will pay their lawyers, and everyone else will pay the Clintons' sackcloth-and-ashes taxes.

ment's laboratories and weapons complex. Perhaps most important, the Defense De-

used against Russia.

There is precious little "comfort" to be

occupied with secondary issues. Most of

PC Invades the FBI

By JEREMY J. STONE

Breathes there a soul so dead that he or she has never privately speculated on cultural or intellectual differences between women and men or between various ethnic or racial groups? If so, he or she will have no trouble, in this new world of political correctness, getting a position in the federal government. No one else will qualify.

Anyone who has ever uttered a statement that could be construed as "insensitive" to any one of America's minority groups could now be disqualified from a growing number of federal positions.

This unsettling information was disclosed to me in an Oct. 18 letter from the FBI. In response to my query, the bureau confirmed that other agencies are charging the FBI with "the responsibility to elicit and thoroughly explore comments bearing on a candidate's ability to be fair and free of biases against any class of citizens." The FBI is not just looking into racist or discriminatory actions but eliciting and exploring comments.

A practice that started in 1965, regarding candidates for judge, is now "standard in connection with presidential appointments and other federal positions potentially influencing policy or personnel decisions."

For example, the FBI this month, for the first time in dozens of such inquiries to me, asked such questions about a friend of mine whose duties have nothing to do with personnel and who, obviously, cannot become a blackmailable security risk for prejudice.

In a separate instance, a legislative staffer known to me, with no subordinates and hence no personnel decisions to make, recently underwent his periodic five year clearance review. He immediately heard from his neighbors that the FBI was asking whether he has ever told racist jokes or said anything that indicated prejudice.

Talk about Big Brother. Do we want any security apparatus, or even offices of personnel management, asking our acquaintances what we think about affirmative action, what jokes we tell and which we find funny? Blackbanning would be easy and misunderstandings inevitable.

After all, we see every day our society's most sophisticated political observers wildly divided as to whether some public statement was, or was not, defamatory, ill-meaning, prejudicial, appropriate or humorous. Under such circumstances, should we leave the assessment of private statements to either FBI field agents or to hiring officers—who may be of the gender or ethnic group at issue and who may have prejudicial scores to settle?

The fact that the FBI in general, and the government in particular, is engaged in this procedure will have two immediately chilling effects: one on private speech by individuals throughout their lifetime and another on the willingness of persons to seek government service.

More generally, all who love freedom of speech must be appalled at what is happening in our society. Great universities hold seminars on "Free Speech in a Diverse Society" as if free speech in a diverse society should be more restricted than free speech in a homogeneous society. But, at least, these apologists for political correctness are talking about public speech.

Here the issue is government investigations of "private" speech to one's closest friends and neighbors. Will we become a society, as in Soviet Russia, where certain things cannot be conveyed even to one's closest friends?

Shall we rule women disqualified for supervisory positions if they have ever told their friends that men are afflicted with "testosterone poisoning"? What about blacks who have complained that whites were prejudiced against them? This could, after all, be interpreted to mean that such

women and such blacks would not treat the other groups fairly in the workplace.

This kind of investigation of private comment may be arguable for nominees to the federal judiciary—where the practice evidently started. Judges are persons of unchecked powers whose position permits them to act out their prejudices against numerous individuals easily and over long periods.

But those who seek most public jobs have no such power. If they do engage in hiring, affirmative action already requires them, often with quotas and other objective checks, to hire minorities—and to treat them fairly—even if they secretly harbor prejudice or just hate the whole affirmative action system on political grounds.

Therefore, these issues can safely be left to oversight by offices of personnel management and the post-employment supervision of higher-level supervisors.

And since virtually everyone has prejudices, of one kind or another, why waste time trying to elicit, explore and document prejudiced private speech.

Not least important, Congress and the press should determine how much of the FBI's backlog in security investigations, or overtime pay for retired agents, is being generated by issues of political correctness. Too many appointees are being held up for too long already—a real cost to our government—without adding false duties to the FBI agenda.

Let's give the FBI a break. Let it concentrate on catching spies, terrorists and bank robbers. Security—and not job suitability—is what we need the FBI for and what it wants to do. Checking up on off-color jokes is more than FBI agents, or investigators from other agencies, should be required to endure.

Mr. Stone is president of the Federation of American Scientists in Washington.

11/2

Cheon

THE WHITE HOUSE
WASHINGTON

October 26, 1993

Jimmy Karam
609 Main Street
Little Rock, Arkansas 72201

Dear Jimmy:

Thanks for your letter. Your words of encouragement and support mean a great deal to me, as always.

I appreciate your offer to come to Washington to teach a seminar on bargaining and trading. I know you've had a lot of experience and would have many insights into the process of buying goods for the government.

I hope you are well, and I look forward to seeing you before long.

Sincerely,

Bill

might be worth
having someone
Bill Bouten? call
and ask for his ideas
on saving the govt purchase
also send him summary of
on procurement changes

Jimmy
Karam's MEN'S STORES

To my President, and our beautiful, and wonderful First Lady.

Mr. President you are doing a great job, and what is coming through Good and Clear is your concern for the less fortunate and Poor people who cannot help themselves; Sure its tuff to get help from some people, But what is more Important I know to you is, Is it right and does it please the Lord; This verse that you know so well takes care of them Math: 5- 44.

This letter is to offer my talents to you through teaching your Burgess how to bargain and trade; I have done lots of Business with the U. S. Gov. and they pay from 30 to 50 % more on their needs; I would come to Washington for just a few weeks and teach ^{your} buyers how to Bargain and trade and save our Gov. Millions and Millions of Dollars.

I have tried to call you, but you are so busy working for your people and be sure and Keep going out from Washington to talk to your people who really matter.

Your Friend in Christ
Jimmy Karam

P.S. Be sure and Give Our
First Lady ^{our} Love.