

THE WHITE HOUSE
WASHINGTON

DATE: 3/20/94

NOTE FOR: Secretary Reich:

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:

4/6/94
5:30pm
Per call from
Mark Hunter
2/9/6/94

Not
Reich



Per
Ridg
S.
a
copy

3/17/94

MEMBER INSTITUTIONS

Barber-Scotia College
Concord, North Carolina

Benedict College
Columbia, South Carolina

Bennett College
Greensboro, North Carolina

Bethune-Cookman College
Daytona Beach, Florida

Cleflin College
Orangeburg, South Carolina

Clark Atlanta University
Atlanta, Georgia

Dillard University
New Orleans, Louisiana

Edward Waters College
Jacksonville, Florida

Fisk University
Nashville, Tennessee

Florida Memorial College
Miami, Florida

Huston-Tillotson College
Austin, Texas

Interdenominational Theological Center
Atlanta, Georgia

Jarvis Christian College
Hawkins, Texas

Johnson C. Smith University
Charlotte, North Carolina

Knoxville College
Knoxville, Tennessee

Lane College
Jackson, Tennessee

LeMoyne-Owen College
Memphis, Tennessee

Livingstone College
Salisbury, North Carolina

Miles College
Birmingham, Alabama

Morehouse College
Atlanta, Georgia

Morris College
Sumter, South Carolina

Morris Brown College
Atlanta, Georgia

Oakwood College
Huntsville, Alabama

Paine College
Augusta, Georgia

Paul Quinn College
Dallas, Texas

Philander Smith College
Little Rock, Arkansas

Rust College
Holly Springs, Mississippi

Saint Augustine's College
Raleigh, North Carolina

Saint Paul's College
Lawrenceville, Virginia

Shaw University
Raleigh, North Carolina

Spelman College
Atlanta, Georgia

Stillman College
Tuscaloosa, Alabama

Talladega College
Talladega, Alabama

Texas College
Tyler, Texas

Tougaloo College
Tougaloo, Mississippi

Tuskegee University
Tuskegee, Alabama

Virginia Union University
Richmond, Virginia

Voorhees College
Denmark, South Carolina

Wilberforce University
Wilberforce, Ohio

Wiley College
Marshall, Texas

Xavier University
New Orleans, Louisiana

Look into this -
probably should form from
UNCF dinner - advise

Craves / Reelin

Look into
this - Mrs. Smith
from UNCF dinner
advise

From
Mama Collins
NOTES

THE PRESIDENT HAS SEEN

3/17/94

Mr. President,

While many
cities fight crime,
mediocrity & poor
schools I & God
have proven over
& over again that all
children can learn—
The Ida B. Wells
Housing development
school proves again
that children can

learn.
* I have written eight
requests asking you
to visit us & please
not for me, but to show
others it can be done.

THE WHITE HOUSE
WASHINGTON

03/25/94

LEE ANN:

The attached needs to be dispatched to Congressman Rostenkowski and I thought you would prefer to see it first.

Also, if you would prefer to put a cover note from your office, instead of the one I've prepared from John, that would be fine.

Sharon Wagner/
John Podesta's office.

THE WHITE HOUSE
WASHINGTON

DATE: 03/25/94

NOTE FOR: CONGRESSMAN ROSTENKOWSKI

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

Information ☒

Action ☐

Thank you.

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

cc:

The Washington Post Writers Group

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^EDWIN YODER COLUMN<

^(FOR IMMEDIATE RELEASE--Normally Advance for Monday, March 21, 1994)<

^(For Yoder Clients Only)<

^By EDWIN M. YODER, JR.=

THE PRESIDENT HAS SEEN

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1150 15TH STREET, N. W., WASHINGTON, D. C. 20071-9200

TEL: (202) 334-6375

(800) 879-9794

Handwritten: Mark (GS) Producta
Sund CC to Perry

WASHINGTON--Dan Rostenkowski, the 18-term Illinois congressman and chairman of the House Ways and Means Committee, isn't exactly my cup of tea in politicians. But no recent political event has given me greater pleasure than his survival--with an unexpectedly large 50 percent of the vote in a five-way primary contest many thought he was in danger of losing.

The victory may be short-lived, for he is being investigated by the Justice Department. But then who isn't? The truth--make of it what you will--is that my pleasure in Rostenkowski's survival is intensified by his being much reprehended by the ethics patrol, and also by the fact that his win owes a great deal to the Daley ``machine'' in Chicago.

Am I in danger of violating St. Paul's rule (see Corinthians 13) that we are to take no delight in iniquity? Perhaps. Whatever may be wrong with Rostenkowski, much is right with him. He is one of those old-fashioned legislators who legislates more than he talks.

Which brings me to the second point that I find refreshing: He is a faithful ``machine'' man. One of these days, a sober historical revisionism will examine the high price we have paid for the end of machine politics in American cities. It is now evident that just about the only effective, in-touch and humane government the great cities of the nation ever enjoyed was provided by the supposed rascals and rogues who put together the city machines. Their methods were not Sunday-schoolish. The results they achieved were, on balance, often better all around than those of the reformers who replaced them.

Even so, the opprobrium attached to machine politics has always been fierce. I am old enough to remember when Harry S. Truman, one of the most scrupulously honest men ever to hold office, caught hell from the

(more)

Republican prigs (forerunners of Parson Dole, Cardinal Gramm and Archbishop D'Amato) for returning to Kansas City, as president, to pay his last respects to ``Boss'' Tom Pendergast. Whited sepulchers are not confined to the pages of the New Testament.

When I behold Dan Rostenkowski, my memories also stray back to a distinguished predecessor of his, another chairman of the House Ways and Means Committee, Wilbur Mills of Arkansas. No member of Congress stood higher than Mills until one evening 20-odd years ago when his infatuation with a strip-tease artiste named Fanne Foxe, accentuated by problem-drinking, landed him in the Tidal Basin. Even by the more tolerant standards of that era it was too much. Mills was soon gone.

But the price was great. It could indeed be speculated, not wholly in jest, that the dalliance with Ms. Foxe was in large measure responsible for the fiscal decline and fall of the United States. It is the horseshoe nail thing, a lesson in how history is shaped by trifles. Had Mills not been beguiled by Fanne Foxe, he might have remained chairman of the Ways and Means Committee, thus Capitol Hill's most powerful gatekeeper in tax matters, when the supply-side charlatans came to town in 1981 with their tax-cutting schemes. I believe that Wilbur Mills, a dedicated guardian of the public's money, would have done whatever was necessary--hunger strike, chaining himself to the doors of the House chamber--to avert the mortgaging of America. Was the greater scandal Mills' indecorous trysts or the inordinate tax-slashing and borrowing that tripled the national debt?

Public office is still a public trust. But when I compare a Rostenkowski or a Mills, a Truman or a Clinton, with some of their canting critics I find much to be said for the old politics.

And as any country-store theologian knows, it is not petty peccadillos but the great sins of spiritual pride (including hypocrisy and sanctimony), which bring great nations low. Believe me. If Rosty is ousted over one or another of the suspicions now swirling about him, a niggling justice may be served. But we will probably pay through the nose for the dubious privilege of feeling cleansed.

The Washington Post Writers Group

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^bc-yoder-column advIMMEDIATE<

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THE PRESIDENT HAS SEEN

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

*Hand (GS) Producta
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THE PRESIDENT HAS SEEN

THE WHITE HOUSE

3 25 94

WASHINGTON

March 23, 1994

94 MAR 23 P7:40

INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM: ANTHONY LAKE

SUBJECT: Recoupment of Scholarships and Bonuses

You asked me whether it is necessary to seek the recoupment of scholarships and bonuses awarded to military personnel who subsequently were released from the armed forces for being homosexuals. In the wake of the publicity raised by the cases described in the Washington Post article, the Department of Defense is preparing a memorandum that will bring DoD policy on recoupment issues in harmony with the Administration's new policy regarding homosexuals in the military. DoD expects to have this review completed within a week. In the meantime, they will not open any new recoupment cases.

Attachment

Tab I "Discharged and Dunned," Washington Post, March 11, 1994*Delivered to Post**cc George*cc: Vice President
Chief of Staff

see 82? in back.

2082
stuff to
bell
Tues mid-day

Discharged and Dunned

Despite Relaxed Rules, Military Pursues Ousted Gays to Recoup Payments

By John Lancaster
Washington Post Staff Writer

Several years ago, congressional critics and gay activists jumped on the Pentagon for trying to recoup scholarships and bonuses from men and women kicked out of the military services because they were homosexuals. Although the Pentagon has since relaxed its rules against homosexuality, two recent cases suggest its collection program remains intact.

One of them involves Eric Fenner, now 23, who received a \$4,500 bonus from the Navy following his graduation from nuclear power plant training in 1992. Fenner subsequently disclosed his sexual status, and received an honorable discharge last year. Now the Navy wants him to pay back a portion of the bonus on grounds he did not complete his six-year enlistment.

The other case involves Michelle Keenan, 28, who won an Army ROTC scholarship to Vanderbilt University at the age of 18. Keenan said it was only later, during law school, that she realized she is gay, at which point she promptly disclosed her status to her Army command. Discharged honorably last March, Keenan currently is fighting the Army's efforts to collect \$24,000 the service says she owes for violating the terms of her scholarship.

"The military can't have it both ways," said Michelle Benecke, an attorney with Servicemembers Legal Defense Network, which represents gay service men and women. "Based on their merit, the military lauded them, accepted them, gave them bonuses or scholarships, then for reasons totally unrelated [to their performance], kicked them out. If the military wants to shoot themselves in the foot with this shortsighted policy, that's their problem."

Pentagon officials declined yesterday to comment on the specifics of individual cases, citing privacy considerations. They said, however, that as a general rule, servicemembers accept certain conditions along with their scholarships and bonuses, one of which is that they will be liable for reimbursing the funds if they fail to complete their service obligations.

"This is true not just of homosexuals, but any other reason," said Lt. Col. Doug Hart, a Pentagon spokesman. "If they've got bad grades and can't make it, they may or may not have to pay back the scholarship money depending on the circumstances." For all the controversy it



BY FRANK JOHNSTON—THE WASHINGTON POST

The Navy wants Eric Fenner to repay enlistment bonus.

has caused, the Pentagon's reimbursement policy has a practical side. Defense officials do not want to invest thousands of dollars in a college education for a future officer only to see him or her discharged for homosexuality shortly after graduation.

They suggest, moreover, that under the Pentagon's old policy, which explicitly banned homosexuals from service, many gay service personnel who accepted scholarships or bonuses did so under false pretenses. The new policy, which took effect last month, allows gay men and lesbians to serve so long as they do not reveal their sexual status or engage in homosexual conduct.

But gay rights activists say many young people are still confused about their sexuality when they sign up for military duty. They see the reimbursement policy as a cruel Catch-22 that penalizes gay men and

women for the very quality the military teaches them to revere—honesty.

Hart, the Pentagon spokesman, said each case is "looked at on an individual basis" and that "if this revelation came to them after they were already in school, then it's very possible they wouldn't have to pay it back."

The issue first erupted into public view in the late 1980s, when the Defense Department sought reimbursement of scholarships from three gay ROTC scholarship students. After protests in Congress and on college campuses, then-Defense Secretary Richard B. Cheney privately ordered his military service chiefs to back off, according to the book "Conduct Unbecoming" by the late Randy Shilts.

Both Fenner and Keenan insisted in interviews that they did not mislead recruiters about their sexuality. Fenner, the son of a Navy officer, said he "just kind of avoided" the issue as a teenager and enlisted in the Navy in part because "I wanted some time to think." Early last year, Fenner notified his commanders at the submarine base in Groton Ct. that he is gay, he said, and received an honorable discharge. Fenner, now a shipping manager at a corporate office in Rockville, then received a collection notice seeking \$2,046, the prorated portion of his enlistment bonus, according to documents he provided.

Keenan acknowledged that the four-page ROTC contract she signed as an 18-year-old contained a statement "in fine print" asserting that she was not a homosexual. But she said she was acting in good faith because at the time "I didn't know I was a homosexual."

Keenan, who by that time had been commissioned as a second lieutenant, said that she notified her Army command of her sexual orientation within two weeks of acknowledging it to herself. But the Army has continued to press her to pay back a portion of the scholarship, a debt that has grown with interest to over \$24,000, she said.

Sgt. 1st Class Dawn Kilpatrick, an Army spokeswoman, said: "It's not really a homosexual issue, it's a contract issue. If an individual voluntarily takes himself out of the contract, they're required to" repay the government for its losses.

THE PRESIDENT HAS SEEN 3/18

Tommy
Is this memory?
B ✓

Robert/Ce beam

THE PRESIDENT HAS SEEN

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Once Again, Bafflement Abroad

By Simon Hoggart

LONDON

As news of Whitewater crosses the Atlantic, we Europeans search again for the answer to the central question: Just what do you guys think you're doing? This looks like the third Presidency in the last six to be severely damaged — perhaps crippled — by a major scandal. The other three, Ford, Carter and Bush, suffered from minor scandals, but you got rid of them anyway, at the first opportunity.

The received wisdom appears to be that it's not the details of Whitewater that count; what's important is the cover-up. The subtext of that is: We don't care what happened all those years ago in Arkansas, a faraway state of which we know little. All that does matter is what occurred in Washington, where Washington people can police the breaking of their own obscure and arcane rules.

Washington used to be called the Capital of the Free World, but since the fall of Communism it's more like the Capital of the Whole World. Yet it

Simon Hoggart, former Washington correspondent for The Observer, now covers the British Parliament for The Guardian.

appears to run by a set of mores and customs as obscure to the rest of the world as the social practices of the Trobriand Islanders.

For example, we are told, Bernard Nussbaum had to resign as White House counsel because he took part in "inappropriate briefings." I can't imagine a single head of government — certainly not here in Britain or even in largely scandal-free nations like Canada and Finland — who could survive if that particular charge were thought damaging.

Possibly the development of the scandal can be attributed to Republicans' exacting their revenge for Watergate and Iran-contra. Possibly the American press, among the world's

What do you guys think you're doing?

most conservative in its habits, feels comfortable going through the familiar motions once again. Whatever the reason, the fact remains that the man who is ex officio the leader of the world finds himself stymied by distant events that everyone agrees are of little real importance. It's an astonishing situation.

For the rest of us, especially those who admire and even love the United States, this is depressing enough. But it heightens again a crucial fact: the means by which a President gets elected is increasingly incompatible with his role as world leader.

You demand total financial integrity from your politicians, while agreeing

to a system that requires them to raise millions of dollars to have any hope of being elected. You say in effect, "We will vote for you if you woo us at stupendous expense, but every penny you raise must be unblemished."

You also require that the President run for office in a unique and demotic American fashion. Ronald Reagan and Bill Clinton wear baseball caps to show they're regular guys; François Mitterrand wears the most expensive suits to show that he isn't, and he'd sooner wear a dead trout on his head than a baseball cap.

This matters only at the level of symbol. But writ large it means that the President always has to follow an essentially domestic agenda. When the late Speaker Tip O'Neill observed that all politics is local, I don't imagine he meant that the local politics of swing states should be helping to determine America's day-to-day response in, say, Bosnia. Sometimes the two interests mesh or at least don't conflict, as in the Middle East. But it's paralyzing for the U.S. and the world when that's not the case.

The problem has been hugely exacerbated by the Permanent Campaign. The days when a President could follow his judgment for three and a half years, turning himself only briefly into a huckster, are long gone. In 19 of the past 25 years, the President has been up for re-election, and a modern Presidency is largely a four-year TV commercial for the next campaign.

It's probably too late to get that toothpaste back into the tube. But meanwhile the world looks on, fearing that its leader will be paralyzed by events of scant interest or significance to anyone at all — perhaps this time, even inside the Beltway. □

Sex! Money!! Cover-Up!!! Whitewater? ✓

The Media Dozed, Then Went Berserk

By Christopher Hanson

WASHINGTON

Journalists like to caricature President Clinton as a man of gargantuan appetites who heaps too much on his plate in more ways than one. But when it comes to excess, it is hard to top the press itself. Consider the orgy over Whitewater.

Since January there have been hundreds of major newspaper articles on

this subject, many on the front page; eye-catching newsmagazine covers, and countless talk show face-offs. As of Friday, the nightly news on ABC, CBS and NBC had devoted 220 minutes to Whitewater this year, nearly three times as much as for health care, according to Andrew Tyndall, whose Tyndall Report monitors TV news.

Judging by the voraciousness of Whitewater reporters (an appetite whetted significantly by White House evasions and antagonism to the press) one might think the media had discovered something as meaty as Watergate — though even Senator Alfonse D'Amato, who has been leading the political charge, acknowledges that there may be "little if anything" at Whitewater's core.

The odor wafting from Whitewater is certainly sour enough to merit press scrutiny. Should Gov. Bill Clinton have carried on the Whitewater Development partnership with James McDougal, owner of a savings and loan that Mr. Clinton's administration was regulating? Should Hillary Rodham Clinton have represented the troubled thrift before state regulators?

But by magnifying every Whitewater swirl and bubble, the news media are helping create the premature and probably unfair impression of a crooked and unraveling Administration. Consider the drumbeat after the special counsel, Robert Fiske, subpoenaed Administration aides to testify about meetings between the White House and Treasury Department officials over the Treasury investigation of Madison Guaranty.

Almost everyone now agrees the meetings were inappropriate. But the participants deny that the substance

of the case was discussed, and no evidence has emerged that laws were broken. Even so, many subpoena stories, by dint of prominent display, seemed to carry darker implications (QUESTION OF COVER-UP TO BE EXPLORED, as a headline in The Boston Globe put it). When George Stephanopoulos was subpoenaed last week, some papers put the story on page one, though there was no indication why he had been called. (Certainly not because he was neck-deep in Whitewater investments: he was 16 years old

At last, a scandal reporters can love.

when the Clintons cut their deal.)

The most excessive Whitewater coverage involved the White House lawyer Vincent Foster, reportedly a custodian of Whitewater papers, whose death in a park near the Potomac in July was ruled a suicide. In their zeal, some news outlets ran unsubstantiated speculation that he had died elsewhere (for example, in an Administration "safe house") and his body had been moved to the park. The Washington Times actually began a story, "Who killed Vince Foster?" (Finally, ABC News broadcast a photo of the death scene in a broadcast that sought to rebut conspiracy theories, bringing dubious taste to the rescue of common sense.)

An unstated motto of life in the press corps is "Nothing in Moderation." Accordingly, the journalists' appetite for Whitewater swung from

something bordering on anorexia to today's binge eating.

It was two years ago that Jeff Gerth of The New York Times first reported on Whitewater and Madison Guaranty and the conflict-of-interest questions they raised. Those questions deserved to be followed up at the time, but the Clinton Presidential campaign deflected the matter and most reporters lost interest. There it rested until last fall, when reports of the Treasury investigation of Madison surfaced. Even then, Whitewater did not become a truly national story because it was complicated, murky and hard to explain. It took wing only in late December, for several reasons.

First was "Troopergate": the allegations of Arkansas state troopers that they were promised Federal jobs if they'd cover up Mr. Clinton's supposed sexual frolicking when he was Governor. That story repelled many reporters, who had no desire to follow the bimbos. But they also didn't want to look soft on Mr. Clinton. They craved an alternative.

And they got one: a revelation that the White House counsel, Bernard Nussbaum, supervised the removal of Whitewater files from Mr. Foster's office after his death. This sensational element made Whitewater easier to convey, and reporters flocked to the story. TV networks, which devoted a total of eight minutes to Whitewater in the first 50 weeks of 1993, gave it 21 minutes in the last two weeks, after the Nussbaum and sex stories broke, Mr. Tyndall says.

The way Whitewater finally took off says something about the standards a scandal must meet these days to draw in the mainstream pack. It must be a "clean scandal, a nice scandal, a scandal suitable for a family newspaper," in the words of Suzanne Garment, a Washington political writer who is author of a book on the dynamics of scandal. But it can't be too clean — so nice and dry and boring that it will be ignored, as the national savings-and-loan debacle was for so long. We are in the age of tabloidization. There must be a hook for the booboisie.

There's still time to hope that the same forces that unleashed all the hype and shallow coverage may also prompt some reporters to dig harder. Who knows? Someday we may actually learn if there is a scandal here.

Meanwhile, the frenzy is taking its toll on the Clintons: even if they are eventually cleared, they will be clawed and pecked on a daily basis for months, given the special counsel inquiry and the coming Congressional hearings. The Administration will be hard-pressed to focus on health care, the most important domestic debate in 25 years. It all brings to mind a couplet from antiquity:

On eagles' wings immortal scandals fly
While virtuous actions are but born and die.

Christopher Hanson, Washington correspondent for The Seattle Post-Intelligencer, writes the "Capital Letter" column for Columbia Journalism Review.

THE PRESIDENT HAS SEEN

3.24.94

Robert

THE NEW YORK TIMES, WEDNESDAY, MARCH 23, 1994

One Thing It Isn't: Iran-Contra

By Arthur L. Liman

As Congress debates the timing and procedure of hearings on the Whitewater affair, people in both parties are citing the Iran-contra hearings as precedent. But there is a big difference between that affair and this one.

The activities in Arkansas could not have involved abuses of power by a sitting President, since they took place many years before Bill Clinton came to Washington. Whatever one may think of allegations of a White House "cover-up," impeachment is not even a remote possibility.

In the Iran-contra affair, by contrast, the "I" word was very much in the air. It was imperative that Congress determine as promptly as possible, and with immunity grants where necessary, whether there were grounds for removing the President.

Before Congress decided to investigate, there was a series of accusations and admissions of official wrongdoing or apparent abuse of power — from the revelation of an arms-for-hostages deal with Iran to the secret and illegal aid to the Nicaraguan rebels to the allegations of file shredding by Lieut. Col. Oliver North. It was clear that grounds for impeaching Ronald Reagan would exist if he was implicated in either the diversion of funds or the cover-up. With new rumors each day, the Government was paralyzed.

Fortunately, Daniel Inouye, the Hawaii Democrat who was chairman of the Senate Iran-contra committee, shaped the inquiry in a way that reflected his love of country and respect

for constitutional processes. Senator Inouye is one of America's great war heroes and patriots, having left his parents in a Japanese-American detention center to join a Nisei battalion that suffered some of the heaviest casualties of World War II in the Italian campaign; as long as the possibility of impeachment existed, there was no room in his mind for partisanship.

His mandate to us was unambiguous: if there were grounds to impeach Mr. Reagan, we should seek to discover and establish them promptly. If there was no proof of an impeachable offense, we had an obligation to make that clear so he would be free to complete his term. The Inouye principle was "Remove the President, or let him govern, but don't paralyze him, and, in any event, get the facts out."

The Iran-contra inquiry quickly found that all possible roads to the President led through three national security aides: Robert McFarlane, Adm. John Poindexter and Colonel North. Without their testimony, Congress could not determine whether there was proof of an impeachable offense. To await the independent counsel's investigation, which might take years (we never guessed seven years) was not an option. The President would have been long gone from office, his term clouded by speculation over the extent of his involvement.

To accommodate the independent counsel, Senator Inouye tried to persuade the key witnesses that it was their patriotic duty to testify without immunity. Mr. McFarlane willingly did so, but Admiral Poindexter and Colonel North were unwilling to waive their Fifth Amendment privileges.

Arthur L. Liman, a New York lawyer, was chief counsel to the Senate Iran-contra committee.

Congress therefore had no choice but to give them immunity. We delayed their testimony, nevertheless, until the independent counsel could seal his evidence against them.

Even if the Congressional committees had been able to anticipate that the grants of immunity would later lead the United States Court of Appeals to overturn the criminal convictions of Colonel North and Admiral Poindexter, they still made the right decision. There was simply no other way of determining whether the President should be impeached. It was far more important to resolve that issue promptly than to insure that the two men could be prosecuted, presumably to be given minor sentences if they were convicted.

One often hears it said that the Congressional investigation of Iran-contra was inconclusive and that Congressional hearings on any complex subject are doomed to a similar fate. But the independent counsel reached the same conclusion in his 1994 report as the Congressional committees did in 1987: there was no proof of criminal action by the President.

In Whitewater, with no prospect of impeachment, Congress does not have the same need to hold hearings immediately, but it does have the same need for the Inouye spirit of bipartisanship and fairness. Congress has no need to give immunity and can accommodate the special counsel, Robert Fiske, so his inquiry is not impeded.

For his part, Mr. Fiske must also show some flexibility in recognizing the political dimensions. It is the President and the country who will bear the costs of undue delay. Congressional hearings addressed to core issues of integrity are the only way to end unfair speculation and let the President move ahead without waiting for the counsel to complete all aspects of his investigation. The Inouye principle, that an unimpeached President should be allowed to govern with the air cleared, is the central lesson Iran-contra offers for Whitewater. □

But Congress can
clear the air.

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THE PRESIDENT HAS SEEN

3. 24. 94

THE NEW YORK TIMES, WEDNESDAY, MARCH 23, 1994



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

THE PRESIDENT HAS SEEN
3.25.94

MEMBER

March 23, 1994 94 MAR 24 P5:06

MEMORANDUM FOR THE PRESIDENT

FROM: ALAN BLINDER *Alan*
SUBJECT: Your Paper Flow

Strickland

Below is a list of the data memos which we send you routinely. (Attached is a sample of each, numbered to correspond to the list, in case you want to see what any of them looks like.)

If you would like us to **stop** sending any of these, please just cross it off the list.

1. GDP: quarterly, plus revisions (two per quarter)
2. CPI: monthly
3. PPI: monthly
4. Advance Retail Sales: monthly
5. Industrial Production & Capacity Utilization: monthly
6. Advance Durable Shipments and Orders: monthly
7. Housing Starts: monthly
8. Leading Indicators: monthly
9. Blue Chip Forecast: monthly
10. Employment Cost Index: quarterly
11. U.S. International Trade in Goods and Services: monthly
12. Productivity: quarterly
13. Personal Income: monthly
14. State and Area Employment & Unemployment: monthly
15. Interest Rates & the Stock Market: weekly
16. Foreign Economic Developments: weekly

There a number of other data releases, mostly **nongovernment**, on which we do **not** now send you memos. If you would like to receive memos on any of these, please so indicate by a check mark.

A.	Initial claims for unemployment benefits: weekly	
B.	University of Michigan consumer sentiment: monthly	
 C.	Conference Board consumer confidence: monthly	
D.	National Association of Purchasing Managers survey: monthly	
E.	Automobile Sales: monthly	

Thank you.

Attachments

Tony L.

THE PRESIDENT HAS SEEN

3 25 94

BC-LATAM-COMMENTARY op-ed editors:MI

What does Latin America want from the United States?

Knight-Ridder Newspapers

KRT FORUM

(Ambler H. Moss Jr. is director of the North-South Center and dean of the Graduate School of International Studies at the University of Miami. He is a former U.S. ambassador to Panama and was in the U.S. delegation at the Hemispheric Summit of 1967. He wrote this article for The Miami Herald.)

X X X

By Ambler H. Moss Jr.

MIAMI Geography can be used in international affairs to transmit an important message. President Clinton showed great political sensitivity on Friday when he invited the leaders of the Western Hemisphere to a summit in Miami, to be held later this year. His focus was clearly on the South. This winter's Asia-Pacific economic meeting in Seattle was dramatized by the president's traveling away from Washington, to our side of the Pacific rim.

Miami is the appropriate place. It is the geographic and cultural crossroads between North America and South America, and literally at the top of the Caribbean Basin. But it will take more than location to have the summit recorded in the annals of inter-American history. Expectations up and down the hemisphere have been running high, ever since Vice President Al Gore announced the meeting last December. This is, after all, the first full-scale inter-American summit since the one held during

the Johnson administration, at Punta del Este, Uruguay, in 1967.

What do Latin American and Caribbean countries want from the United States? They want something conceptually simple, although complex in practice: that the United States be an economic participant in their development. In an earlier age, that meant foreign aid or massive bank loans. Today, it means trade and investment. Western Hemisphere economic integration is the logical centerpiece for the Miami summit. Both the Bush and Clinton administrations have endorsed an eventual Western Hemisphere Free Trade Area. The Miami summit should be used to give that visionary idea further definition.

The "Enterprise for the Americas" initiative launched by President George Bush in June 1990 enjoyed bipartisan support in this country and was received enthusiastically in Latin America. Its "three pillars" were trade, debt reduction and investment. Clinton has followed the same policy. He spent considerable political capital in achieving congressional approval of the North American Free Trade Agreement (NAFTA) last year. Free trade was not easily accepted in this country, even when this country enjoys 60 percent of Latin America's import market. Now the debate is over, to the relief of Latin America, and the United States has set its course.

The summit can help stabilize and deepen the democratic trend in the Americas. It will be a meeting of democratically elected leaders, 34 in all. The 1967 summit could not have set a political condition, or it would not have been much of a summit. Now, only the dictatorial regimes of Cuba and Haiti remain outside this new democratic club. As with the European Union, only democracies will be welcome to a Western Hemisphere Free Trade Area.

The final declaration of the 1967 summit called for the creation of a Latin American common market. But the time was not right, anywhere in the hemisphere, and there was no follow-up. The United States was to become immersed in our national trauma, the Vietnam War.

Latin American governments, many of which were authoritarian (and others were to become so), were not ready for free trade or open economies. Their unsuccessful economic policies involved import substitution, the growth of state-owned industries, protection, hostility toward foreign capital in many countries and heavy borrowing by the state. Growth rates came to a halt in the 1980s due to the crushing burden of external debt.

The 1980s were a "lost decade of development" for Latin America. For years, there was a net outflow of capital from the region, of about \$25 billion to \$30 billion a year. Grinding poverty and social instability have been the consequences.

Now it is over. The economies of Latin America and the Caribbean are recovering. There is a net inflow of capital from foreign investors and from the return of "flight capital" by its own citizens. Throughout the region, at varying paces, economies are being restructured and transformed. The new directions are trade liberalization, privatization of state-owned industries, a welcome mat for foreign investors and increasing stability for currencies through adjustment policies.

Regional free trade agreements are the order of the day. In the Southern cone, Argentina, Brazil, Paraguay and Uruguay are on the road to completing their common market, MERCOSUR. The "Group of Three" (Mexico, Colombia and Venezuela), the Central American countries, the Andean countries and the Caribbean members of CARICOM are all in regional free-trade arrangements. Chile and Colombia want to join NAFTA. Mexico, Chile, Venezuela and Costa Rica have signed bilateral trade agreements.

Some Latin American countries, notably Chile, are expanding rapidly their trade ties with Asia. Last year Japan replaced the United States as Chile's principal trade and investment partner, and Chile was accepted for membership in the Asia-Pacific Economic Community at this year's meeting in Seattle.

Is the moment right to consolidate all of the regional free trade arrangements into a Western Hemispheric Free Trade Area? Can the Miami summit be its constituent

assembly? Different stages of economic adjustment in the region preclude the "closing" of such a transaction in the near future. But the summit could be and ought to be the beginning of such a process. The European Union of 1993, had its rudimentary beginnings back in the 1940s.

The time between now and the Miami summit should be used to consult urgently with our Canadian, Latin American and Caribbean partners. The object should be to design, to the maximum degree possible, the guidelines and principles, and timetables where possible, in pursuit of the vision of a Western Hemisphere Free Trade Area. The design should be complete by the time the heads of state come to the table.

It is not an impossible dream, any more than was President John F. Kennedy's pronouncement that the United States would land an astronaut on the Moon within a decade. If the Miami summit is the opening step toward Western Hemisphere trade integration, it will be a historic moment in inter-American relations.

*Cutler
Klein*
THE PRESIDENT HAS SEEN

3 03-94

THE WHITE HOUSE

WASHINGTON

March 23, 1994

94 MAR 23 P12:22

MEMORANDUM FOR THE PRESIDENT

FROM: LLOYD CUTLER
SPECIAL COUNSEL TO THE PRESIDENT

JOEL I. KLEIN
DEPUTY COUNSEL TO THE PRESIDENT

CHERYL MILLS
ASSOCIATE COUNSEL TO THE PRESIDENT

RE: **Jonathan Pollard - Request for Clemency**

Lnc

Lagerwiler

Attached is Attorney General Reno's recommendation concerning Jonathan Pollard, followed by a report from former Deputy Attorney General Heymann. Pollard was sentenced to life imprisonment in 1985 for selling thousands of pages of highly classified intelligence information to Israel while he was a civilian employee in the Navy. Under his current sentence, Pollard would be eligible for parole after ten years (in November 1995), but realistically is likely to serve twice that time.

The Attorney General recommends that you deny any clemency at this time. She reasons that "in light of the enormity of Mr. Pollard's offenses, his lack of remorse, the damage done to our national security, the need for general deterrence and the continuing threat he posed, the original life sentence imposed by the court was warranted. For the same reasons, I believe that to shorten his sentence, after the service of eight years, is unwarranted and would disserve the goal of deterrence." The Attorney General also reviewed some other "options" put forward by Mr. Heymann -- involving reduction of Pollard's life sentence to a fixed term of years (e.g., 25 years) -- and concluded that "such action is unwarranted at this time because it is impossible to know all of the events that may occur in the intervening years or to know the circumstances that will exist at the time of his release. The additional time will also permit a more informed assessment of Mr. Pollard's conduct during the service of his sentence."

We agree with the Attorney General's conclusion and reasoning. We recommend that you approve her recommendation to deny clemency at this time.

Tony Lake also concurs. The Secretary of Defense and the Director of Central Intelligence oppose clemency, because of the severe damage to national security from

Pollard's espionage. Although Prime Minister Rabin has expressed support for Pollard's appeal, the Department of State concludes that foreign policy considerations are not sufficient to be taken into account in this case. Tony agrees that national security considerations outweigh any foreign policy considerations in this case.

Approve

☒

Disapprove

☐

Discuss

☐

Done



THE WHITE HOUSE
WASHINGTON

DATE: 03/25/94

TO: GEORGE STEPHANOPOULOS

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

The attached has been forwarded
to the President.



THE WHITE HOUSE

WASHINGTON

94 MAR 23 P7:40
March 23, 1994INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM:

ANTHONY LAKE

SUBJECT:

Recoupment of Scholarships and Bonuses

You asked me whether it is necessary to seek the recoupment of scholarships and bonuses awarded to military personnel who subsequently were released from the armed forces for being homosexuals. In the wake of the publicity raised by the cases described in the Washington Post article, the Department of Defense is preparing a memorandum that will bring DoD policy on recoupment issues in harmony with the Administration's new policy regarding homosexuals in the military. DoD expects to have this review completed within a week. In the meantime, they will not open any new recoupment cases.

Attachment

Tab I "Discharged and Dunned," Washington Post, March 11, 1994

cc: Vice President
Chief of Staff

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B
A

Discharged and Dunned

Despite Relaxed Rules, Military Pursues Ousted Gays to Recoup Payment

By John Lancaster
Washington Post Staff Writer

Several years ago, congressional critics and gay activists jumped on the Pentagon for trying to recoup scholarships and bonuses from men and women kicked out of the military services because they were homosexuals. Although the Pentagon has since relaxed its rules against homosexuality, two recent cases suggest its collection program remains intact.

One of them involves Eric Fenner, now 23, who received a \$4,500 bonus from the Navy following his graduation from nuclear power plant training in 1992. Fenner subsequently disclosed his sexual status, and received an honorable discharge last year. Now the Navy wants him to pay back a portion of the bonus on grounds he did not complete his six-year enlistment.

The other case involves Michelle Keenan, 28, who won an Army ROTC scholarship to Vanderbilt University at the age of 18. Keenan said it was only later, during law school, that she realized she is gay, at which point she promptly disclosed her status to her Army command. Discharged honorably last March, Keenan currently is fighting the Army's efforts to collect \$24,000 the service says she owes for violating the terms of her scholarship.

"The military can't have it both ways," said Michelle Benecke, an attorney with Servicemembers Legal Defense Network, which represents gay service men and women. "Based on their merit, the military lauded them, accepted them, gave them bonuses or scholarships, then for reasons totally unrelated [to their performance], kicked them out. If the military wants to shoot themselves in the foot with this shortsighted policy, that's their problem."

Pentagon officials declined yesterday to comment on the specifics of individual cases, citing privacy considerations. They said, however, that as a general rule, servicemembers accept certain conditions along with their scholarships and bonuses, one of which is that they will be liable for reimbursing the funds if they fail to complete their service obligations.

"This is true not just of homosexuals, but any other reason," said Lt. Col. Doug Hart, a Pentagon spokesman. "If they've got bad grades and can't make it, they may or may not have to pay back the scholarship money depending on the circumstances." For all the controversy it



The Navy wants Eric Fenner to repay enlistment bonus.

has caused, the Pentagon's reimbursement policy has a practical side. Defense officials do not want to invest thousands of dollars in a college education for a future officer only to see him or her discharged for homosexuality shortly after graduation.

They suggest, moreover, that under the Pentagon's old policy, which explicitly banned homosexuals from service, many gay service personnel who accepted scholarships or bonuses did so under false pretenses. The new policy, which took effect last month, allows gay men and lesbians to serve so long as they do not reveal their sexual status or engage in homosexual conduct.

But gay rights activists say many young people are still confused about their sexuality when they sign up for military duty. They see the reimbursement policy as a cruel Catch-22 that penalizes gay men and

women for the very quality the military teaches them to revere—honesty.

Hart, the Pentagon spokesman, said each case is "looked at on an individual basis" and that "if this revelation comes after they were already in the service, then it's very possible they wouldn't have to pay it back."

The issue first erupted into public in the late 1980s, when the Defense Department sought reimbursement of scholarships from three gay ROTC students. After protests in Congress on college campuses, then-Defense Secretary Richard B. Cheney privately ordered his military service chiefs to back down. The issue was later "conduct unbecoming" by the late Randy Shiltz.

Both Fenner and Keenan insist in interviews that they did not mislead others about their sexuality. Fenner, a former Navy officer, said he "just avoided" the issue as a teenager. He was listed in the Navy in part because "it seemed like a good time to think." Early last year, Fenner notified his commanders at a submarine base in Groton, Ct., that he was gay, he said, and received an honorable discharge. Fenner, now a shipping agent at a corporate office in Rockville, Md., received a collection notice for \$2,046, the prorated portion of his enlistment bonus, according to documents provided.

Keenan acknowledged that the page ROTC contract she signed as a high school senior contained a statement "promising" asserting that she was not a homosexual. But she said she was acting in faith because at the time "I didn't know I was a homosexual."

Keenan, who by that time had been commissioned as a second lieutenant, said she notified her Army command of her sexual orientation within two weeks of acknowledging it to herself. But she has continued to press her to pay back a portion of the scholarship, a debt that has grown with interest to over \$24,000, she said.

Sgt. 1st Class Dawn Kilpatrick, a Pentagon spokeswoman, said: "It's not a homosexual issue, it's a contract issue. If an individual voluntarily takes him or herself out of the contract, they're required to reimburse the government for its losses."

Sen D →

work in Sen
Kennedy, Lloyd-
Agree Sen situation

Pat Guffy

THE PRESIDENT HAS SEEN 3/24/94

- We've broken it down into five key elements, which Hillary and I have been using as the core of our speeches over the last few days, and I think it works pretty well.

- It comes down to these five elements:

- Guaranteed private insurance
- Choice of doctor and health plan
- Outlawing unfair insurance company practices
- Preserve Medicare
- Health benefits guaranteed at work.

Sen - Flea
Sen Bush
Health plan
Medicare - Ken
Care will work -

- And I need your help, as I'm out there explaining these five elements and fighting for reform, to fight with me. To go out with me and explain reform using these five elements. To reassure your constituents that reform will be good for them.
- I am very confident that you will send me legislation before your work is done this year that guarantees private insurance to every American. But as you well know, the next six weeks are absolutely crucial to the shape of this bill.
- That's why I'm asking you to help me and fight with me for reform -- because I know that if we work together, we can leave a legacy that will be remembered for generations. Thank you very much.

THE PRESIDENT HAS SEEN

3.24.94

So the case

IS FRAUD POISONING HOME HEALTH CARE?

Critics say lax regulations allow overcharging and abuse

Tom Henry had a good thing going. By padding bills for services provided through six home health-care agencies he owned in Lebanon, Tenn., he easily collected more than \$4.4 million from Medicare and Medicaid over four years. Henry spent much of the money on a new home, cars, and lavish toys, including furs for his wife, a jaunt with friends to Cancun, and a trip to Hollywood to appear on *Wheel of Fortune* (he lost). Henry was finally caught and convicted of fraud in 1992, after his schemes became too blatant to escape the notice of insurance investigators, who alerted federal authorities.

The case of Tom Henry is only one of countless instances of fraud and abuse plaguing the rapidly expanding \$31 billion home health-care industry. Most are purely financial rip-offs, such as one involving a Florida man sent to prison on Feb. 14 for, among other things, billing Medicaid for home care rendered to three people who turned out to be dead. But other crimes involve willful actions of neglect, abuse, and incompetence that jeopardize the lives of the aged and ill people receiving care at home.

Among the myriad scams already uncovered:

■ Kelly Kare, a home-care company in New York, sent "untrained, unqualified, and unlicensed workers" to care for sick and elderly patients. Their competence was so lacking that one client, Ronald Callahan, had to have his sister teach his alleged nurse how to catheterize him. By the time Kelly Kare's owner was convicted, she had billed New York Medicaid more than \$1.1 million for fraudulent services.

■ In Miami, a network of eight companies is charged with offering milk supplements and nutritional therapies free to healthy consumers who didn't need

them. The companies then allegedly billed Medicare \$14 million, claiming that the products were medically essential. This case, pending in federal court, sparked 14 probes nationwide into similar scams.

■ Robert Desrochers, the owner of two home health-care agencies in Alhambra, Calif., paid the salaries of discharge planners at 10 hospitals as part of his service as long as they sent patients to his agencies. He then shifted that cost, among others, to Medicare. He was convicted of fraud last year. Prosecutors say his scheme is not unusual.

Problems in the industry are not limited to newly formed companies or fly-by-night operators. Some of the largest companies in the industry, such as Caremark International Inc. and T2 Medical Inc., are under federal investigation for alleged kickback schemes. Hospital Staffing Services Inc., based in Fort Lauderdale, Fla., is being probed for its Medicare billing practices. All three companies deny wrongdoing.

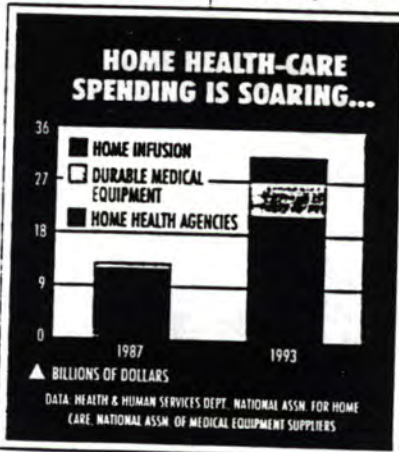
"NEXT FRONTIER." Predicting how much fraud and abuse costs consumers is tricky. One congressional estimate puts it at 10% of total expenditures, or \$3.1 billion. If the current level of malfeasance continues, experts say, it could wipe out some of the anticipated savings from caring for patients outside hospitals. "Home health care is the next major frontier for fraud and abuse," says Edward J. Kuriansky, New York Deputy Attorney General and special prosecutor for Medicaid fraud. "We've just scratched the surface."

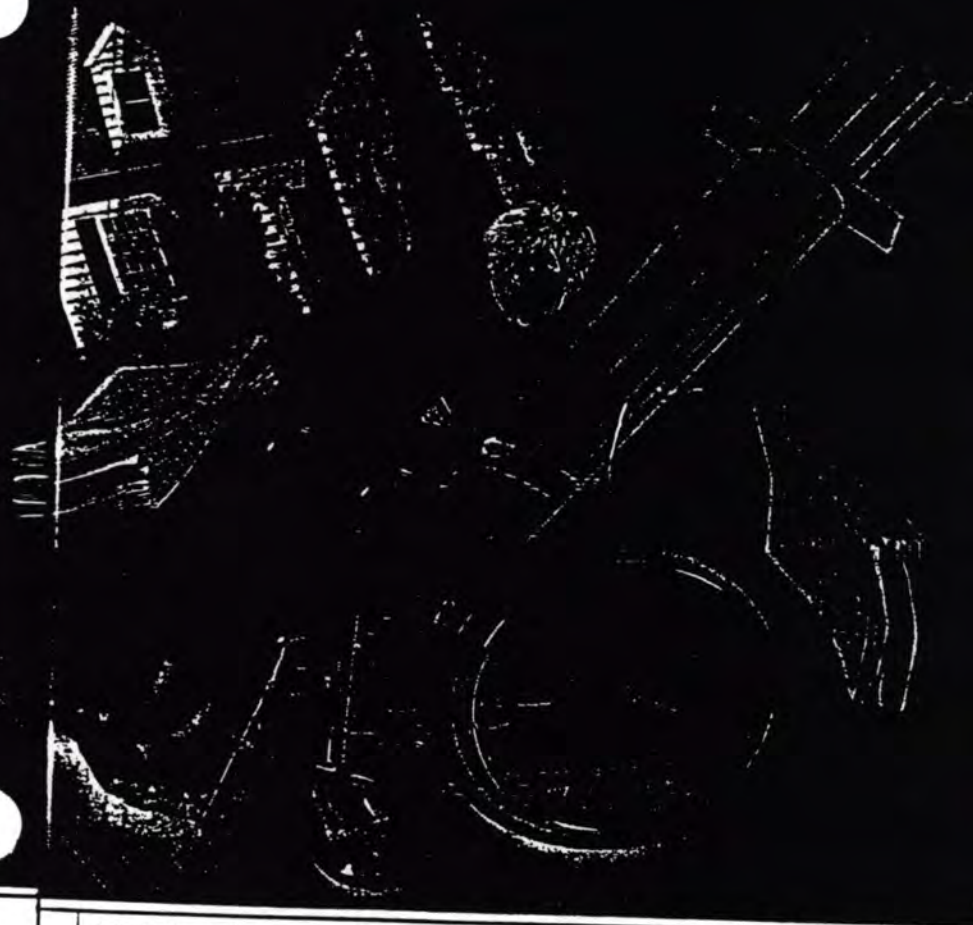
Of course, instances of criminal conduct occur in other segments of the health-care industry. But the nature of home care makes it uniquely susceptible. In hospitals, doctors, nurses, and administrators all monitor the quality and cost-

effectiveness of care patients receive. But home care is largely unsupervised. With ill-defined or nonexistent pricing guidelines, poorly conceived federal regulations, and a patchwork of uneven state and local laws, the home-care industry is primarily accountable to itself.

Though the industry has tightened its standards, the guidelines have little or no effect on the thousands of home care companies that don't belong to the trade groups. And federal investigators are far too understaffed to meet the growing caseload. "We've only been dealing with the most blatant cases because of the lack of manpower," says Jeanne K. Damirgian, an assistant U.S. attorney in Miami. "Only now are we moving into more sophisticated schemes."

The fraud epidemic comes at a time when the industry is experiencing exponential growth. More than 7.1 million people are expected to receive some care in their homes in 1994. That's up from 5.9 million in 1987, the industry's trade group says. Home care, which provides the services of nurses and aides, and home infusion therapies, which include delivery of drugs intravenously,





are expected to grow 35% in 1994, according to the Commerce Dept.—three times faster than the rest of the health-care industry. The other industry segment, durable medical equipment, such as oxygen tanks and wheelchairs, is also growing fast.

The federal government is picking up a sizable percentage of the tab. Medicare and Medicaid expenditures for home care ballooned to \$18 billion last year, from just \$8 billion in 1990, according to *Home Health Line*, an industry newsletter. The Health Care Financing Administration, which manages Medicare expenses, predicts a 166% increase in its home-care spending by 1996.

The boom is being fueled largely by the perception that home care is less costly than more traditional venues. A 1991 industry study compared the average cost of treatment in hospitals with treatment in the home for patients with hip fractures, a common ailment treated through home care. It found that by sending patients home six days earlier than normal, \$2,300 was saved. That translates into an annual savings of \$575 million to Medicare, the study showed.

Such savings, coupled with pressure from insurers to cut costs, is compelling hospitals to release patients sooner. And advances in treatments and technologies have made it possible to provide sophisticated care, such as chemotherapy and respiratory therapy, almost as easily in living rooms as hospitals.

MANY LIMITS. Perhaps nothing has done more for the industry's bullishness of late than the Clinton Administration's plan for health-care reform. Clinton's proposed package specifically calls for universal coverage of short- and long-term home care. Many insurance companies now offer only limited home-care coverage—or none.

Since Clinton's election, Health Force, an owner and franchiser of nursing and home-aide agencies based in Woodbury, N.Y., says that responses to its newspaper ads seeking franchisees have more than doubled to

as many as 125 per week. In Louisiana, the number of Medicare-certified home-health agencies jumped from 270 to 442 in 1992. Growth has been so rapid that Louisiana, along with other states, has placed a moratorium on the opening of new agencies.

Amid the home-care industry's explosive growth, critics are calling for stepped-up enforcement and better guidelines to regulate providers. Although Congress attempted to make some fixes in 1987 by establishing training standards for home health aides and a national hot line for consumer complaints, abuses have proliferated. "There are so many pieces of home care," says Charles P. Sabatino, assistant director of the American Bar Assn.'s Committee on Legal Problems of the Elderly. "Some are state programs. Some are Medicare. There is licensed, unlicensed, and high-tech home care. And there is no comprehensive approach to accountability."

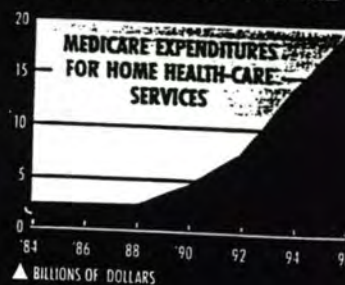
A look at the regulatory landscape makes that all too clear:

■ Only seven states regulate home infusion as a distinct industry, leaving this segment most open to rampant wrongdoing, experts say. "The regulatory environment for these services is a little bit like Dodge City before the marshals showed up," said Representative Ron Wyden (D-Ore.) at a hearing last May.

■ Virtually no state or federal licensing requirements exist for the 10,000 companies providing durable medical equipment. Although the industry's trade group, the National Association of Medical Equipment Suppliers, imposes standards on its members, only 20% of the businesses belong to the group.

■ For the nursing and home-aide agencies, 10 states and the District of Columbia lack special licensing requirements, though certification through a series of inspections is needed to participate in Medicare and Medicaid. Laws that are in place lack consistency in standards, training, or licensing. Independent providers, which make up \$3.5 billion, or 17%, of the home nursing business, operate largely outside any regulatory framework. And no federal law requires these agencies to check whether job applicants have criminal records.

Certainly, the concept of home health care is sound and, when implemented correctly, comparatively economical. And the majority of





**PROSECUTOR KURIANSKY:
PROBES HAVE "JUST
SCRATCHED THE SURFACE"**

MOST COMMON FRAUDS IN HOME CARE

PHANTOM SERVICES Charges assessed for services never rendered or visits never made by nurses or aides.

PADDING BILLS Home health care providers include improper overhead expenses in their charges for nursing or drug therapy treatments. Also, home aides are billed out at rates for registered nurses.

TELEMARKETING/DOOR-TO-DOOR SCHEMES Home nursing and durable medical equipment agencies offer "free" services or equipment to consumers in order to get their Medicare billing numbers, which are then used for fraudulent billings.

KICKBACKS Doctors, social workers and hospital discharge planners refer patients to agencies in exchange for payments.

home-care providers do deliver exemplary services. Industry leaders and trade groups have taken it upon themselves to devise rules aimed at ensuring high-quality service. Olsten Corp., based in Westbury, N.Y., the largest provider of nurses and aides for the home, spends close to \$2 million annually on compliance programs, which include a criminal background check on job applicants.

But Olsten and some other companies stop short of suggesting that their self-policing mechanisms be applied to the industry at large. Instead, they prefer to rely on a competitive marketplace to wipe out malfeasance.

ETHICS CODE. Trade groups, including the National Association for Home Care, strictly scrutinize their members and have been pushing to expand government oversight. In addition to abiding by Medicare regulations and state laws, members must get the blessing of the Joint Commission on Accreditation of

Healthcare Organizations or a similar accrediting body. For accreditation, members must meet stringent standards, including a requirement of 75 hours of training for home-care aides, continuing education for nurses, and agreeing to abide by an ethics code. But these moves only go so far. The standards affect only association members—allowing independent operators to play by their own rules.

So, legislators are readying another try. One bill, scheduled to be introduced in March by Representative Sherrod Brown (D-Ohio) and Senator Howard M. Metzenbaum (D-Ohio), would set limits on prices home infusion firms can charge for their products, establish quality standards for the industry, and require federal licensing. The measure in part responds to protests about extreme disparities in prices for drug therapies offered by home infusion companies (table, page 73). For example, 500 mg

of Neupogen, an anti-infection drug, cost from \$266 to \$1,128, according to Principal Mutual Life Insurance Co.

C. A. Piccolo, CEO of Caremark, the largest provider of home infusion therapies, concedes that legislation needs to address "escalating costs." But he adds that prices for home-infusion drugs appear high because they reflect numerous overhead costs that must be included in drug charges to get reimbursements from insurance companies. "Insurer won't reimburse us as a line item for services," he says. "They insist that we factor it into the cost of the product."

Another bill, sponsored by Representative Charles E. Schumer (D-N.Y.) would increase funding for health-care fraud investigators as well as provide stiffer penalties for offenders—especially in cases resulting in injury or death to patients. Resources available for uncovering health-care fraud are woefully inadequate. The number of inspectors with

WHO'S BIG IN HOME CARE

**1993 TOTAL
REVENUES**

DATA: NATIONAL ASSOCIATION FOR HOME CARE
COMMERCE DEPT., HOME HEALTH LINE

**HOME NURSING
AND AIDES**

**\$21
BILLION**

OLSTEN
Westbury, N.Y.

INTERIM HEALTHCARE
Fort Lauderdale, Fla.

**VISITING NURSE SERVICES
OF NEW YORK**
New York City

**DURABLE MEDICAL
EQUIPMENT**

**\$6
BILLION**

ABEY HEALTHCARE GROUP
Coral Mesa, Fla.

LINCARE
Clearwater, Fla.

**HOME INFUSION
THERAPY**

**\$4
BILLION**

17 MEDICAL
Alpharetta, Ga.

MEDICAL CARE AMERICA
Dallas

the Office of the Inspector General of the Health & Human Services Dept. has been cut to 249 from 298 since 1989, while workloads have multiplied.

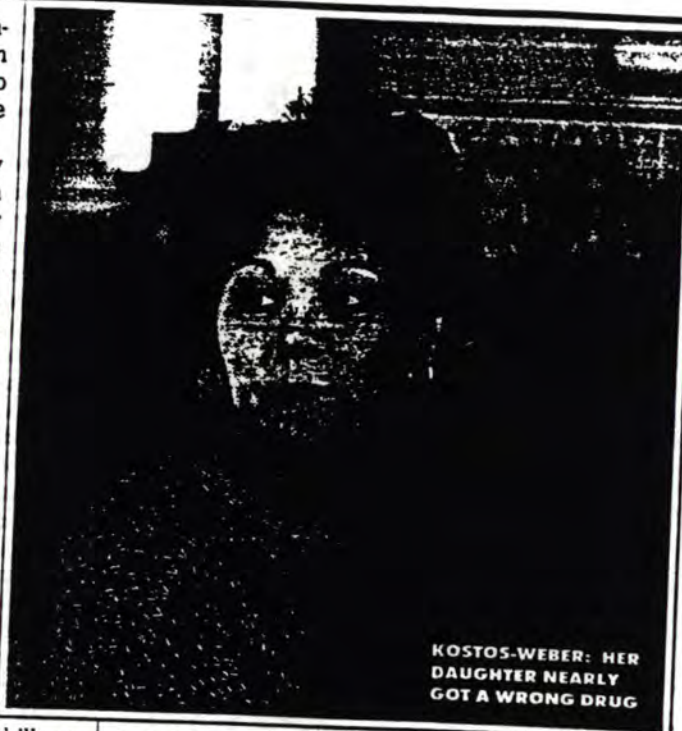
On the local level, New York's Erie County set up an employment registry this year to track home-care workers who have criminal records or other troubling pasts. The law was adopted after local police reported a spike in complaints of abuse against senior citizens by home-care workers, including one of an 82-year-old blind woman with Alzheimer's disease who was so badly beaten that her ribs were broken. Other patients were persuaded to transfer bank funds to their caretakers or open credit-card accounts for them.

In the private sector, insurance companies have launched their own crackdown. They more frequently decline to pay bills as submitted, citing unsubstantiated or inflated claims. Principal Mutual is demanding more proof that services billed for were actually delivered and necessary. At Northwestern National Life Insurance Co., a full-time investigator has been assigned solely to reviewing bills submitted for home nursing services.

HUGE BILLS. Perhaps nothing illustrates the potential perils of home care better than the story of Sarah Weber, a little girl in Cleveland Heights, Ohio, who suffered from cerebral palsy. From the age of 5 until her death last July at age 10, Sarah was able to live at home with the help of intravenous drugs and nutritional therapy.

In congressional hearings last May, Sarah's mother, Marie Kostos-Weber, testified that Sarah's bills for her extensive treatments ranged from \$95,000 to \$120,000 a month—an amount that ate up the family's \$1 million private insurance policy limit in less than a year. She stated that after checking with a health-care consultant, she estimated it cost close to \$1,000 a day more to treat Sarah at home than in the hospital. When her insurance lapsed, it took a court order to prevent Critical Care America Inc., Sarah's home-infusion provider, based in Westborough, Mass., from cutting off Sarah's supply of medicine, according to congressional records.

But Sarah had other problems. According to a lawsuit Kostos-Weber filed last September against Critical Care, which alleges overcharging and poor quality of care, she contends that the company mistakenly delivered a lethal dose of the wrong drug for Sarah's in-



KOSTOS-WEBER: HER DAUGHTER NEARLY GOT A WRONG DRUG

travenous therapy. Fortunately, Kostos-Weber caught the mistake, she says. But when she tried to complain to the state health department, she was referred to the Attorney General's office, which in turn referred her to the National Alliance for Infusion Therapy, an industry lobbying group based in Washington. "There was no one to turn to," says Kostos-Weber. "This is a totally unregulated industry. The health department didn't even know what infusion therapy is." Critical Care, which was re-

cently acquired by Caremark for \$175 million, declined to comment on the pending litigation except to say that it "will vigorously defend itself."

It's clear that as health care moves further into the home, it is bringing a whole new set of problems for providers, insurers, regulators, and consumers. Although greater regulation is essential, lawmakers must be careful not to over-regulate. According to a yet-to-be-released study by the George Washington University Health Policy Project, North Carolina, Virginia, and Minnesota have come up with the best regulatory mix. Their laws defining home-health agencies are flexible enough to make most services fall under some regulation. The marketplace, too, will impose more scrutiny and reform, and industry trade groups are trying to improve quality.

CASE MANAGERS. Experts say one of the most effective ways to curtail abuses is to increase the role of doctors. "If there is a power broker in home health-care services, it's the doctor," says William Dombi, director of the Center for Health Care Law in Washington, D.C. The American Medical Assn. has advocated using doctors as case managers for home health-care services. That position is backed by an independent study Aetna Life Insurance Co. concluded in 1993. It found that more physician involvement would curb abusive practices. It noted that in many cases it reviewed, doctors had not even seen the patients for whom they were prescribing treatment. As the law stands now, doctors have little incentive to take a hands-on approach to home health care. They are not paid by insurers for work relating to home health-care planning.

The eventual shape of health-care reform will likely have the greatest impact on the industry. The Clinton plan does include new criminal penalties for bribes and kickbacks in the home health-care industry as well as tougher civil penalties for falsified billing claims. But these provisions—though they go a long way toward separating the good from the bad players—are only a starting point. The architects of health-care reform must address all the present-day abuses and problems before they inadvertently create a whole host of new ones for the future.

By Linda Himmelstein in New York, Gail DeGeorge in Miami, and Eric Schine in Los Angeles, with Ann Therese Palmer and Richard A. Melcher in Chicago

THE PRICE ISN'T RIGHT

Range of costs for drugs charged by home-infusion companies*

GANCICLOVIR \$150 to \$800
(400 MILLIGRAMS)

Used as antiviral treatment for AIDS

NEUPOGEN \$266 to \$1,128
(500 MILLIGRAMS)

Anti-infection drug

PENTAMIDINE \$180 to \$450
(300 MILLIGRAMS IN SYRINGE)

Antipneumonia drug

GAMMAGARD \$1,100 to \$3,300
(23 GRAMS)

AIDS treatment to boost immune system

ROCEPHIN \$147 to \$384
(2 GRAMS)

Treatment for Lyme disease

ZINACEF \$135 to \$338
(1.5 GRAMS)

Treatment for various infections

*Charges include certain overhead costs such as delivery and mixing of drug compounds

DATA: PRINCIPAL MUTUAL LIFE INSURANCE CO.

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ISSUES

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THE PRESIDENT HAS SEEN

3.24.94

B. Rapoport

Letter to EDITOR

→ Gerson/ cc Podesta

March 18, 1994

Mr. Robert Barzilay, Editor
Letters
The New York Times
229 West 43rd Street
New York, NY 20036

To the Editor:

When I was in the military a long time ago, we were taught the value of diversion as a military tactic. Evidently, politicians are consummate masters of the art. The misty spray over Whitewater, created by President Clinton's political opponents, is little more than a disingenuous effort to subvert legislation on health care, job creation, environmental crises and the other pressing issues that an army of lobbyists and their surrogates in Congress are determined to block by diverting the public's attention from needed legislative action.

There is precious little of substance that has emerged of wrongdoing by President Clinton which is worthy of investigation. Unfortunate public relations errors by panicky Administration aides have created an atmosphere of suspicion that has substituted for fact as the focal point of the anti-Clinton campaign.

Similarly, your front page "investigative" article, "Top Arkansas Lawyer Helped Hillary Clinton Turn Big-Profit" (March 18), hints at impropriety that never existed. Your reporters offer not a scintilla of evidence of wrongdoing. Yet newspaper skimmers who read the headlines but not the text will inevitably conclude that iniquitous or unethical behavior was involved.

Such sleight-of-hand journalism is unworthy of The New York Times.

Sincerely yours,

Alexander M. Schindler
(Rabbi)

Pres of Union of Hebrew Congregations

BR MAR 23 1994

FAX # 202-456-
2464

To: Mark
Middleton

please

call

me

as soon

as you

*have read
this.*

B. Rapoport

TOTAL P.02

Chick Donohue

718-325-6258

CONSORTIUM FOR WORKER EDUCATION

275 7th Avenue (18th floor) New York, NY 10011

THE PRESIDENT HAS SEEN 3/7

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~~initiation~~ ~~initiation~~
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 adult help by Kevin
 Whalen - R

THE CONSORTIUM FOR WORKER EDUCATION COLLEGE PREP INITIATIVE:
 EDUCATIONAL OPPORTUNITY FOR LOW INCOME AND DISLOCATED
 WORKERS

The Educational Opportunity Center proposed by the Consortium for Worker Education offers a range of services, support and instruction designed to serve unionized adults in New York City who lack a high school diploma or entry into college and who either work in threatened job categories or have already lost their jobs. The Center would be the conduit between unionized low income working adults and dislocated workers on the one hand, and the educational ladders currently available through the Consortium and its partner institutions on the other. The premise on which the College Prep Institute (CPI) is based emerges from the disjuncture between the experience of the CWE as a worker education organization and the promise of GOALS 2000. While post-secondary education and training offer the only hope that unionized workers at the bottom of the occupational hierarchy in health care, education, manufacturing and other fields have for securing their future, this hope remains illusory for most of these adults.

CHICK DONOHUE
718-325-6258

WHO WE ARE AND WHAT WE DO

The Consortium for Worker Education (CWE) is a not for profit community-based organization comprised of the education departments of its 30 member labor unions. The CWE provides education and training for over 17,000 union members and their families yearly, in classes ranging from beginning English language and reading and writing, through GED programs adapted for particular industries, to college prep, certificate and degree programs. Courses include computer education, citizenship, native language literacy, job skills and job training and preparation for specific credential/certificate programs or for testing. About 86% of those attending our classes are members of minority groups and over half are women. The CWE receives and administers funds from the New York State Education Department, the United States Department of Education and other public and private sources.

The union education base of the CWE supports the design, planning and implementation of an educational vision grounded in worker empowerment and advancement. Formed in 1985 for purposes of responding to the educational needs of union members and their families, the CWE's mission is to shape the growth and development of the primary resource of both its member unions and New York City: workers and their families.

As a union-driven worker education program, the CWE works with members in designing programs that 1) meet their needs for access to lifelong education, jobs and careers and 2) facilitate active participation in unions and communities. Instruction and course content center around the use of literacy, English language communication and life experiences in a variety of adult contexts. These include the family, the community, the workplace, the union and other arenas in which adults exercise their skills and knowledge. This approach responds to educational research which demonstrates that adults learn best when instruction is tied to the meaningful use of newly acquired abilities; at the same time it reflects the commitment of unions to serve their members in ways which increase their opportunities and their access to power in society.

Both education and work provide the means for workers to take control of their lives and are thus related and central concerns of the Unions and their membership. The CWE unions have designed a variety of educational programs for workers, which aim to provide mobility and flexibility within the workforce, as well as access to greater educational opportunities. In CWE classes, workers acquire skills and knowledge which help them to get jobs, earn promotions or salary incentives and build on their existing skills. In the process, Union education programs help members to learn about and reflect on the society in which they live and work, and to create both individual and collective solutions to the challenges they face.

Since its founding in 1985, the CWE has implemented this vision as it responds to the changing needs of workers and the changing context of work. During the past two decades, the increased mobility of jobs, capital and labor has created a New York City workforce comprised largely of immigrants, women and people of color who have historically lacked access to adequate schooling. These conditions create an expanded role for labor as a provider of educational and other support services for members; these services, in turn, build both stronger



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

THE PRESIDENT HAS SEEN ^{3/24}

March 20, 1994

*Rubin / Melt
ce Sargent / GS
Friedman*

MEMORANDUM FOR SECRETARY BENTSEN

FROM: Lawrence Summers

SUBJECT: Monetary Policy

Anybody who could gauge the bond market accurately could be much wealthier than I am, so all judgements about monetary policy are best made tentatively. Recognizing that there is more art than science in Fed watching and prescribing, here is one opinion.

There is a strong case to be made for no **immediate** increase in interest rates. Some delay (perhaps 1-2 months) would be tactically advantageous for several reasons. First, markets are spooked by the suspicion that the Fed knows something they do not. Holding off on any rate increase now expected by the market would be reassuring. Conversely, raising rates might confirm some investors' irrational fears. Second, if long rates remain at current levels, it is conceivable that forecasts of growth will turn downward. This might argue for holding off until the bond market has settled.

However, it would be a mistake for the Administration to resist the idea that significant rises in short rates are called for. Appearing to resist would be at best unsuccessful and, more likely, counterproductive. It would also risk discrediting ourselves with the Fed and the financial markets, undermining any possible future leverage.

The following points are important to understanding why a rate increase may be appropriate.

- o Existing policy is loose by historic standards.
 - In an average recovery, federal funds rates rise by between 400 and 500 basis points. In our recovery so far, rates have risen by only 25 basis points.
 - Short rates averaged around 7% percent between 1985 and 1989. If the Fed raised rates another 75 basis points, it would still have reversed less than one-quarter of its 1989-1992 easing.
 - Two key indicators, short real rates and the yield curve, both point to monetary policy being very easy.

- o Some tightening would sustain the recovery and not weaken it.
 - The futures market reveals that the market is expecting a 30 basis point increase in Fed funds in the next two weeks, a 90 basis point increase over the next six months, and a 140 basis point increase in 12 months. Hence, neutral monetary policy with respect to expectations requires significant rises in short rates. To do less would be expansionary.
 - The United States has had only two long recoveries since World War II: in the 1960s and in the 1980s. At an early stage in both of these recoveries (around 1963 and 198), short rates were raised by about 100 basis points. This action came well before capacity pressures were encountered and was followed, after the run-up in short and long rates ran its course, by a decline in long rates.
 - Monetary policy operates with a 12-month lag. Although it seems inappropriate in 1994, some braking of the economy will likely make a good deal of sense in 1995. By 1995, the economy will be experiencing much less fiscal contraction than it is now, will be enjoying an impetus to export demand as the rest of the world economy recovers, and will be at capacity on the basis of current growth prospects.
 - If monetary policy actions are delayed much, their effect will be felt in 1996. There is room for about 8-9 percent growth from 1994-1996, without major inflation pressures. A 4-2-3 (i.e., 4% in 1994, 2% in 1995, and 3% in 1996) or 3-3-3 pattern would be much better than a 4-4-1 or even 3.5-3.5-2 pattern.
- o Seeking to pressure for lower interest rates is ill-advised.
 - The entire international community -- including the IMF, OECD, and most other G-7 countries -- think that we need more monetary restraint and that if the Fed has made an error it is in moving too late.
 - Market sentiment is similar. This is evidenced by the futures markets and statements of major financial commentators. Almost no one -- outside a very Keynesian academic circle -- faults the Fed for moving too quickly.

- Inevitably a Clinton Administration is rendered suspect by the Carter history. Pressuring the Fed makes any restraint that Greenspan shows in raising interest rates less reassuring to the markets and puts pressure on him to demonstrate his independence.
- o The principal arguments against an increase in short rates are the valid points that long rates are high and that inflation pressures are remote. But:
 - Long rates increased no more rapidly in the week after February 4 than they have on average over the last two months.
 - Historical experience is that long rates are more likely to fall when the yield curve is steep than when it is flat (as the spread between short and long rates returns to normal).
 - Even at current inflation rates there are good reasons for higher short rates: real short rates are abnormally low; there is excess liquidity in the mutual fund sector; investment-demanding sectors that have been dormant for some years (such as real estate) are coming back; and recovery in the world economy is raising capital demands.
 - It is possible to over-discount inflation risks. Oil prices could well rise in coming months. Outside California and a few of the western states, wage inflation is already rising, and the number of firms planning price increases is also rising.

cc: Roger Altman
Frank Newman
Jeff Shafer
Alicia Munnell

THE VICE PRESIDENT
WASHINGTON

March 11, 1994

MEMORANDUM TO THE PRESIDENT

FROM: THE VICE PRESIDENT

SUBJECT: A SERIES OF "ROUNDTABLE" DISCUSSIONS ON
AMERICAN CRIME AND VIOLENCE

*I like this & think
we should start on it
will reinforce on work on health
can, well ref. etc.*

B

I have just read the Report of the Interdepartmental Working Group on Violence. As I read this excellent exposition, it occurred to me that we should build upon its findings with an in-depth, probing dialogue on the many factors that contribute to violence in America. This dialogue -- which could take place in a series of sessions in different cities (perhaps culminating in a summit in Los Angeles this Fall) -- might usefully complement our current programmatic and legislative approaches to crime. This memorandum outlines a proposal for such a dialogue, an on-going "White House Roundtable on Violence."

I. BACKGROUND

Violence has reached the point where public health experts consider it to be an epidemic. Deaths from gunshots have surpassed traffic deaths in six states and in the District of Columbia, and this trend is spreading nationally. The crime and violence problem has heightened fear across our nation and has dramatically altered the quality of life for many Americans. Gang-related violence, killings over drug turf, and hate crimes have reached suburbs, smaller cities, and small towns all over the nation. Guns are infiltrating our schools. And, children are killing children.

Not surprisingly, the Interdepartmental Working Group determined that the violence in this country is "pervasive" and that "[p]eople believe this is a time of crisis." It found that the increase in violence can be attributed to a number of factors, such as the breakdown of the family; "poverty and discrimination, lack of education, lack of jobs, and lack of hope"; drug abuse and trafficking; the "flood of guns" in our communities; and violence in the media. The Group recommends that we promote, among other things, both tougher law enforcement and prevention, both national policy and local action, both public policy and private initiatives, and both short-range and long-range strategies.

I agree with the Group's recommendations. I believe that a White House Roundtable would contribute to meeting several of these objectives. Specifically, we should convene a series of meetings that focus on the root causes and exacerbating conditions of violence: (1) the economic underpinnings of crime, (2) the breakdown of the family, (3) drugs, (4) firearms, (5) racial tension and hate crimes, and (6) the failure of the criminal justice system.

II. GOALS OF THE ROUNDTABLE

The Roundtable would serve several purposes. First, it would provide us with regular opportunities to speak beyond our programmatic and legislative initiatives. Specifically, high-profile meetings would allow us to discuss the roles of the family, community, education, and religion in shaping the moral values necessary to reverse the downward spiral of violence in, flight from, and desperation about urban America.

Second, these forums would help us broaden our own thinking on the problems underlying this crisis. As set forth below, the Roundtable would bring together Administration policy-makers and outside experts, thinkers, and community leaders to grapple with the difficult issues related to crime and violence.

Third, the Roundtable would serve as a mechanism (not simply a one-time event) for in-depth deliberations with all segments of our society -- enlisting community-based institutions and American businesses in a collaborative effort to address the problem, facilitating communications among diverse (and oftentimes feuding) groups, and healing wounds of the past. The suggested forum on racial tension and hate crimes (discussed below) would, for example, accomplish the goals of Jesse Jackson's suggested White House Conference on Racial Justice and would bring together, among others, leaders of the African-American and Jewish communities.

Finally, this approach would serve as a (partial) response to the Report of the Interdepartmental Working Group on Violence -- particularly, the Group's recommendation that we actively promote the idea of shared responsibility and that we work aggressively to inspire and renew our national values. These discussions would provide the bully pulpit opportunities for that sort of leadership.

III. STRUCTURE OF THE FORUMS

A. In General

We would convene, on either a monthly or a bi-monthly basis, a roundtable discussion on the various topics related to crime and violence. The forums would include White House policy advisors, the appropriate policy-makers from the agencies, and interested members of the public (including victims of crime) and relevant experts (including, where appropriate, law enforcement officers, psychologists, sociologists, economists, social scientists, community organizers, educators, members of the medical professions, and business representatives).

I recommend that all of these meetings (with the possible exception of the first) be held outside of Washington, D.C. -- in our nation's communities, with our nation's community leaders. Again, the culminating event could be a Crime and Violence Summit in Los Angeles.

B. Specific Forums

By way of examples of the kinds of topics we could discuss at these sessions -- in addition to a kick-off event addressing broadly the issue of violence in America -- I offer the following:

1. Economic Underpinnings of Crime

In his book, The Truly Disadvantaged, William Julius Wilson chronicles the decline of our urban centers and the effects of the disappearing job market from these centers. He makes clear that poverty and unemployment are directly related to crime, violence, and other anti-social behavior. It is therefore critical that our Roundtable include a discussion of the economic dislocation that causes many of our youth to choose lives of crime in an attempt to achieve the American dream.

We may want to discuss the following issues at this forum:

- incentives for businesses to locate in the central cities;
- racism and classism and their effects on the distribution of capital and employment opportunity; and
- job training and other labor programs.

Participants might include William Julius Wilson, professor, University of Chicago; Thomas F. Schrader, President of Wisconsin Gas Co. and Chairman of New Hope; Tom Klein, Pfizer Pharmaceuticals; and Toby Herr, Project Match.

2. Breakdown of the Family

Strong families -- those that provide moral guidance, leadership, and emotional support to their children -- form strong communities that serve as the foundation for a great nation. However, the American family, the bedrock of our strong nation, is crumbling. We must accept the shared responsibility to rebuild and restore our families.

We may want to use this forum to discuss the following issues:

- reasons for the disintegration of moral values;
- reasons for the breakdown of the family unit;
- latch-key children;
- the role of the family in choosing television programming and other media for children;
- the role of the family in helping children to view media critically;
- domestic violence and child abuse;
- the role of churches and other community institutions in addressing this issue; and
- the role of the Federal government in addressing this issue.

We could consider inviting to this forum some or all of the following individuals: Marian Wright Edelman, Children's Defense Fund; Ann Lewin, National Learning Center; Carole Hall, Community Workshop on Economic Development; Dr. Alvin Poussaint, psychiatrist, Harvard Medical School; Bill Cosby, entertainer and speaker; and the Reverend Anthony Bennett, St. Paul's Community Church and Director, Nehemiah Housing Project.

3. Drugs

Drug use, abuse, and trafficking are linked, directly and indirectly, to a disproportionate amount of crime and violence in this country, especially in our central cities. One study found that more than 50% of hard-core drug users are engaged in illegal activity, and another revealed that the incidence of violence among drug abusers is 16 times higher than the general population.

In this forum, we would discuss:

- the Administration's 1994 National Drug Strategy;
- the treatment of addicts;
- the costs of drug treatment to our health care system;
- the legalization of certain drugs; and
- the role of law enforcement in drug sales and use.

We could consider inviting the following individuals to this forum: Kevin Jett, Community Police Officer, New York City Police Department; Deborah Prothrow Smith, Dean, Harvard School of Public Health; Ted R. Miller, Health and Safety Economist, National Public Services Research Institute; and a reformed drug addict.

4. Firearms

Firearms, of course, play a large role in our epidemic of violence and crime. In 1991, firearms were used to kill 17,746 individuals and to assault 102,000 people. Furthermore, firearms were used in over 18,5000 suicides and in approximately 1,440 unintentional deaths.

At this forum, we should discuss the following issues:

- gun control;
- how firearms are stored, carried, and used;
- reducing the lethality of firearms;
- technological innovations that can promote firearm safety; and
- non-lethal alternatives for self-protection.

We could invite to this forum Mark Rosenberg, Centers for Disease Control; Jim Pascoe, Alcohol, Tobacco & Firearms; Raymond Kelley, Former Chief of Police, New York City Police Department; Louis Freeh, Director of the Federal Bureau of Investigation; and Eric Larsen, author of Lethal Passage.

5. Racial Tension and Hate Crimes

This Administration has condemned -- and must continue to condemn -- all forms of bigotry, including bigotry expressed through the use of violence. The growing problems of inter-ethnic tension and racial hate crimes present us with a great challenge (and a great opportunity) to begin to address these sensitive issues.

Needless to say, our discussion must start with a reaffirmation of our belief that America is made great by its racial and ethnic diversity and should address the following issues:

- the development of race awareness and acceptance in children;
- racial tensions between groups; and
- education for all Americans on tolerance and non-violent conflict resolution.

The participants could include some or all of the following individuals: Jesse Jackson; Brian Levin, Anti-Defamation League; Joe Roy, Klanwatch, Southern Poverty Law Clinic; Louise Howe, American Leadership Coalition; Ron Yokabayashi, Los Angeles Human Relations Commission; Adela de la Torre, professor of Chicano and Latino Studies, California State University; Jack McDevitt, Center for Applied Social Research, Northeastern University; and Joyce Rayzer, Community Health Care, Inc.

6. Failure of the Criminal Justice System

The current criminal justice system also exacerbates the crime and violence problem in this country. The court systems (federal and state) are backed-up; jails and prisons are overcrowded; and incarceration fails to rehabilitate convicted criminals.

Accordingly, we should address the following issues during this forum:

- courtroom overload;
- prison overcrowding;
- reform of the criminal correctional systems; and
- sentencing and parole.

I would recommend that we consider inviting some or all of the following individuals to this forum: Charles Ogletree, professor, Harvard University (and former public defender); Vincent Bugliosi, author and former U.S. Attorney; Kim Taylor, Professor of Criminal Law, Stanford University; Eric Holder, U.S. Attorney for the District of Columbia; a social worker; a probation officer; and a prison official.

* * *

In sum, I believe a White House Roundtable on Violence -- a public/private dialogue involving the people like those suggested above -- could provide the White House with a useful mechanism for in-depth deliberations on crime and violence. Through this Roundtable, we would be able to provide leadership during this crisis, facilitate communication between and among America's communities, and promote the Administration's view that all Americans have a shared responsibility to address the violence and causes of violence that plague our communities.

I look forward to hearing your thoughts on this idea.

IN THE LOOP

Clinton Could Face Enemy at Omaha Beach

By Al Kamen
Washington Post Staff Writer

There is some talk that President Clinton may celebrate the 50th anniversary of the Normandy landings this June by retracing the allies path—by boat—from England. When he gets there he could find the cliffs still controlled by the enemy.

No, not the Nazis, the Republicans.

The Normandy cemetery, on a cliff overlooking Omaha Beach, is now a memorial to the 9,386 who died in the landings and later battles. Like other cemeteries around the world, it's run by the American Battle Monuments Commission, a little-known but prestigious 11-member group with a \$20 million budget, a staff of 380 and a sensitive mission.

Clinton, in a breathtaking display of what surely must be bipartisanship and benevolence, has so far left every Reagan-Bush appointee in place these last 15 months. Forget the Oscars. These are political plums of the highest order. Although unsalaried, members travel to Washington at government expense for three or four meetings a year. Each member usually undertakes a tour of the European and Pacific sites every year or so.

The jobs are filled generally by veterans and stalwart party backers. No Senate confirmation is required, nor a fixed term of service, nor is a specified mix of Republicans and Democrats. These are just old-fashioned political spoils that can be doled out to assuage hurt feelings, boost spirits, open pocketbooks or please constituencies—especially veterans.

The current members are not just nominal Republicans, mind you. This is a Who's Who of some of Clinton's biggest enemies outside of Arkansas. The chairman is retired Marine Gen. P.X. Kelley, who did campaign ads for President George Bush. Others include the co-chairmen of Bush campaign finance committees in Georgia and Kentucky, GOP national committeemen from Iowa and New Mexico, the co-chairman of the Bush campaign in California, an honorary chairman of Bush's inaugural ball and a former aide at the Committee for the Reelection of the President, 1972, otherwise known as CREEP, who worked on the Gerald R. Ford, Ronald Reagan and Bush campaigns.

Word is Clinton signed off on five replacements a while ago and more selections are said to be imminent, with formal announcements soon. But some Democrats are worried that if the Republicans are still there and greet Clinton when he gets off the boat, the commission would be a fitting monument not to battle but mind-boggling ineptitude.

Wanna bet a President Gingrich would fire every one of the Clinton commission people within a month of taking office?

It's Official . . .

■ Clinton yesterday said he would nominate retired Adm. William J. Crowe Jr. to be ambassador to Britain. Crowe, Clinton's highest-ranking military supporter during the campaign, is expected to be at the Court of St. James's later this spring. He recently finished ambassador school with flying colors, sources say.

And yesterday the Senate unanimously confirmed Jamie S. Gorelick as deputy attorney general and Deval L. Patrick as assistant attorney general heading the Justice Department's civil rights division.

Mitchell Leaving Some Friends Behind

■ With Pat Griffin having gone to the White House to run legislative affairs, the rest of Griffin/Johnson and Associates, joined by current Secretary of the Senate Walter J. "Joe" Stewart, have formed Johnson, Smith, Dover, Kitzmiller & Stewart Inc.

Meanwhile, retiring Senate Majority Leader George J. Mitchell (D-Maine) appears to be getting everything in place for his departure. Martha S. Pope, now sergeant at arms and former chief of staff to Mitchell, will replace Stewart as secretary in April. Mitchell nominated her, and she was approved by the Senate yesterday on a voice vote, along with the nomination of Robert L. "Larry" Benoit, who's worked 14 years in Mitchell's field office, to be sergeant at arms.

Pentagon Nominee Could Face Senate Test

■ The administration, under fire from some senators—including David Pryor (D-Ark.) and William V. Roth Jr. (R-Del.)—for taking more than a year to fill a sensitive Pentagon job, apparently has a candidate to be director of operational test and evaluation.

Philip E. Coyle III, a former energy department colleague of Deputy Defense Secretary John M. Deutch and formerly second in command at the Lawrence Livermore Laboratory, is the Pentagon's pick for the job, according to a report in Defense Week.

Coyle could have a bumpy confirmation road. Pryor, who with Roth led the effort to create the office in 1984 to stem fraudulent Pentagon testing, is irked by a Pentagon move to allow waivers of the testing requirements in the bill. Pryor warned yesterday he may oppose anyone who supports the move.

Bumpy Road to Finland

■ Speaking of a bumpy road, the Senate Foreign Relations Committee yesterday postponed, at least until mid-April, a vote on the controversial nomination of FOB Derek Shearer, brother-in-law of Deputy Secretary of State Strobe Talbott, to be ambassador to Finland. Meanwhile, another nominee, former ACTION director and Colorado treasurer Sam Brown, just squeaked through on an 11 to 9 party-line vote to have his name go to the Senate for confirmation as ambassador to the Conference on Security and Cooperation in Europe.

Don't Book the Flight Yet

■ Sen. Daniel Patrick Moynihan (D-N.Y.) was none too happy when he read a St. Patrick's Day column by Jack Anderson and Michael Binstein quoting State Department officials trashing his efforts to help get aid for Ireland. Moynihan abruptly canceled a scheduled hearing of his subcommittee on ambassadorial nominations for Egypt, Bahrain and Kuwait. The nominees might want to unpack their bags for a while.

THE PRESIDENT HAS SEEN $\frac{3}{2}$ ~~4~~

Plender
(What's the deal
then?)

THE PRESIDENT HAS SEEN 3/24

THE WHITE HOUSE
WASHINGTON

94 MAR 24 PM 12:31

March 23, 1994

MEMORANDUM FOR THE PRESIDENT

From: Marcia Hale *MH*

Subject: Mayor Rendell's New Urban Agenda

The following article on Mayor Ed Rendell appeared on the front page of the Sunday Washington Post (3/20). I thought that you might want to call the Mayor in the next few weeks to congratulate him on this glowing profile. He can be reached at the following numbers: City Hall (215) 686-2060 or Security Number (215) 686-5665.

*Just to
to him*

Another Kind of Help

Philadelphia Mayor Offers Message of Hope, Calls for Major Policy Change to Aid Cities

By Dale Russakoff
Washington Post Staff Writer

PHILADELPHIA—Mayor Ed Rendell likes his national image as the man who revived hope for America's distressed cities. He is the mayor every new mayor vows to emulate, President Clinton's "favorite mayor." Vice President Gore recently dubbed him "America's mayor."

But the mayor whose record is widely invoked as proof that cities can save themselves has unwelcome news for his admirers: It can't be done without a lot more help than anyone seems prepared to give.

Sure he stared down big municipal unions and hauled an all but bankrupt government back to solvency without raising tax-

es. But all of that, in hizzoner's in-your-face vernacular, "isn't worth jack" because his city is doomed. Almost 1,000 jobs evaporate from Philadelphia every month. More people moved out of here from 1990 to 1992 than from any other American city.

"We can put the governments of cities in order," Rendell said from his French-empire style City Hall, a remnant of Philadelphia's era as the nation's wealthiest city. "To put the residents of cities in order, we need help."

With the blessing of Clinton and Gore, the 50-year-old Democrat has scheduled an April 15 news conference at the National Press Club to declare that Washington must step in—but not

See RENDELL, A25, Col. 1

RENDELL, From A1

with the big bucks that big-city mayors have often demanded. Rendell wants what he calls a New Urban Agenda: a major shift in the way government does business in order to lure investment and jobs to distressed cities at little additional cost.

He recently pitched his plan to the president and vice president in the Oval Office, talking, according to a White House aide, in the style he made famous in Philly—perched so far out on the edge of his chair that his knees nearly touched the carpet, words and ideas spilling out with a momentum akin to Olympic skiing. "Too bad you didn't have any ideas today, Ed," Gore cracked when the mayor finally paused.

Philadelphia, the nation's fifth largest city, faces the same problems of hundreds of urban centers. Rendell, warts and all, is widely judged among the best big-city mayors—a can-do executive and impresario, capable of creating a sense of possibility where there was none. Whether leadership is a match for the forces shredding major cities is the ultimate question of his mayoralty.

Philadelphia faces a host of urban ills—AIDS, crack cocaine addiction, homelessness, child neglect and abuse and a vastly expanding prison population—that either did not exist or were far less significant a decade ago. And while the cost of providing services to the poor has mushroomed, Philadelphia's tax base has shrunk. Its wage tax of almost 5 percent, highest on the East Coast, keeps the budget balanced but hastens the flight to the suburbs.

"All of America's major cities are on greased skids," said University of Pennsylvania urbanologist Ted Hershberg, director of the Center for Greater Philadelphia. "What differentiates one from another is the angle of descent. You may slow the descent, but unless there's a major shift in public policy, America will lose all its major cities."

Minutes beyond Philadelphia's graceful downtown are blocks of vacant, rotting rowhouses, sealed shut to keep out druggies until demolition crews can mow them down. With people and jobs constantly leaving, the city is home to three-fourths of the region's poor—compared to half only a decade ago. Of 1.5 million remaining residents, one in five lives below the poverty line, supported by the other four—a ratio similar to that in New York, Los Angeles, Chicago, Boston and Baltimore. In Atlanta, Cleveland, Detroit and Hartford, the ratios are even worse.

"I think Eddie Rendell embodies the hope all of us have that somehow a leader can move us beyond these problems of the cities," Hershberg said.

It is telling that a professor refers to the mayor as Eddie. So does almost everyone, even people who have never met Rendell. A tractor-trailer driver recently slammed on his brakes at the sight of him running into the city's new convention center, and yelled: "Hey! Eddie! GREAT JOB!"

He is, in the words of filmmaker Jonathan Demme, director of "Philadelphia," "a natural." With a jaw as wide as Broad Street, a build to go with it and a voice as rough as his 5 o'clock shadow, he resembles a stock character from a film about The Big City. In fact, he appeared briefly in "Philadelphia." Demme gave him no script, told him simply to be a mayor. The scene was shot in one take.

Rendell has projected himself as the personification of Philadelphia's struggle to survive—a local legend alongside Hollywood's Rocky and baseball's "worst-to-first" Phillies. He seems to be trying, through the force of his personality, to give back to Philadelphians everything cities have lost—energy, optimism, fun, irresistible characters.

THE WASHINGTON POST SUNDAY, MARCH 20, 1994

He catapulted to stardom here when in his first full budget cycle he cut the cost of government by \$200 million. Once-invincible municipal unions struck to protest wage freezes, benefit cuts and privatization—only to cave in to most of his demands 16 hours later.

Rendell cuts a sometimes antic image of a man with all 10 fingers in a failing dike. To replace a dying industrial economy, he champions tourism, an "Avenue of the Arts" he says will rival Lincoln Center and a reborn waterfront. He spends much of his day offering strokes, loans, a

cheap site, you-name-it to tax-weary businesses eager to join the exodus.

A perpetual juggling act, he insisted that a reporter keep interviewing him while he talked on his car phone on a recent day about snow removal. Hence this transcript: "Hi, Chris. Tell Joe I've gotten a lot of complaints from ordinary citizens today about the upper end of Lincoln Drive. . . . And I do believe you can't have a successful country without vibrant cities. . . . Yeah, just the upper end. The lower end was fine. . . . Cities are special places. Done right, nothing can match them. . . . Thanks, Chris."

It is no coincidence Rendell identifies with Philadelphia. He was on his way to being a has-been—a former district attorney, defeated in races for governor and mayor—when he found his voice as the city's designated savior.

When he took office, the city was out of cash; Wall Street rated its bonds at junk level. Cumulative deficits were projected at \$1.4 billion by 1996. A state bailout authority was created but could not act until the city balanced its budget. Rendell readily acknowledges that the gravity of the crisis gave him political license to upend the style of government.

1/2
51

Congressman Melvin L. Watt
1232 Longworth Building
Washington, D.C. 20515

THE PRESIDENT HAS SEEN
3.23.94

 *Bill Clinton*
Mel Watt
Washington

The Honorable Bill Clinton
The White House
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

(Ricki Seidman)



HOUSE OF REPRESENTATIVES
WASHINGTON, D. C. 20515

MELVIN L. WATT
12TH DISTRICT, NORTH CAROLINA

March 22, 1994

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

Dear Mr. President:

The Charlotte Coliseum, located in my congressional district, is hosting this year's NCAA Final Four tournament. If you are planning to attend (Arkansas is looking stronger each game), Eulada and I would be honored to have you and your family stay with us.

We live in the 4th Ward section of Charlotte, an historic community which is a national model of inner city revitalization. In addition to being a great honor for us and our neighbors, your acceptance of our invitation would represent an important statement about your commitment to inner city revitalization. We have plenty of room and my next door neighbors, Harvey Gantt and family, pose no security risks.

I had hoped to extend this invitation with the prospect of an Arkansas - Carolina showdown. Unfortunately, Carolina's performance against BC saved Arkansas and your presidency that embarrassment. However, I feel certain that Duke (the east campus of which is in my congressional district) will uphold the long tradition of North Carolina and ACC teams in the Final Four.

Go Duke. Go Arkansas.

Sincerely,

Melvin L. Watt



Police Strategy No. 1:

Getting Guns off the Streets of New York

The Honorable Rudolph W. Giuliani
Mayor of the City of New York



William J. Bratton
Police Commissioner



March 7, 1994

*From
the President's
this to New York.
shown to
Boris Yeltsin*

TABLE OF CONTENTS

3	INTRODUCTION
5	THE PROBLEM
7	CURRENT PRACTICE
10	STRATEGY
10	REFOCUS AND EXPAND INVESTIGATIVE RESOURCES • Precinct Based Detectives • Joint Firearms Task Force • Warrant Division
14	REFOCUS PATROL RESOURCES • Street Crime Unit
15	REVISE AND EXPAND TRAINING
16	OBTAIN AND DEPLOY TECHNOLOGICALLY ADVANCED EQUIPMENT • Computerized Ballistics • Gun Tracing • Automated Pistol License Records Management
17	SECURE COMMITTED SUPPORT • From the Public • From the Transit and Housing Police
18	EVALUATION

Introduction

Getting Guns Off the Streets of New York is the first of a number of major police strategies to be designed and launched by the Giuliani administration. In the coming weeks, similar strategies will be put in place in the areas of school safety and youth violence, narcotics, quality-of-life violations, domestic violence, and auto-related crimes. The first two of these will also deal with illegal firearms as both cause and effect of other crimes.

Taken together, these police strategies must work in concert to reduce violent crime, disorder, and fear in New York. This is part of Mayor Giuliani's larger commitment to make the city an economically vibrant center where people of all races, creeds, and ethnic origins feel free to raise and educate their children and to live in an atmosphere of civility.

Illegal guns—particularly handguns—are an unrelenting and growing plague in New York. In 1960, there were 75 homicides committed in the city with handguns, representing a quarter of the total number of murders for the year. In 1992, there were 1,500 homicides (a 1,900% increase in number) committed with handguns, representing three quarters of the total number of murders (a 200% increase in proportion). In 1960, handgun possession and use by young people was virtually unknown. Today, it is pervasive.

With 90% of the illegal guns in New York flowing into the city from other states, this is clearly a problem that transcends any one city's boundaries. Federal legislation and federal enforcement action are imperative. The Mayor's proposal for a national uniform licensing system for firearms, similar to that required by each state for those wishing to have a driver's license, is but one example.

But the purpose of Police Strategy No. 1 is to discuss what local efforts can and will accomplish—and why local efforts have failed to do what they could have done in the past.

There must be far greater certainty among all citizens that illegal activity will lead to apprehension and jail. For success to be achieved in reaching this goal, it is necessary that arrests, convictions, and jail time for perpetrators increase. It is also

necessary that the entire criminal justice system work together diligently to achieve this.

This will be a reassurance to some and a threat to others. Both are necessary if we are to restore civility as a hallmark of life in New York.

THE PROBLEM

When the final crime reports for 1993 are completed, we may find that reported crime in New York City declined to its lowest level since 1985.

Yet, according to *New York Newsday* (December 16, 1993), a substantial majority of city residents remain afraid—for themselves and their children—of violent crime.

They are afraid for a reason, and that reason has mainly to do with handguns.

- In 1960, 75 homicides were committed with handguns in New York City.
- In 1992, 1500 homicides were committed with handguns.

FACT: Between 1960 and 1992, census figures indicate the population of New York City declined by 6%.
Yet, between 1960 and 1992, homicides committed with handguns increased by 1,900%.

And city residents complained more and more about hearing shots fired in the streets, outside their windows.

- Between 1983 and 1993, the number of 911 calls about shots fired outside nearly quadrupled.

And increasingly, gunshots are hitting human beings. While 1,541 people died in 1992 from gunshots, almost 4,000 more people were wounded.

- During the last fiscal year, patients treated for gunshot wounds cost city hospitals nearly \$12 million.

And this dollar figure does not begin to capture the grief, worry, and expense suffered by the individuals who were shot and their families.

Handguns are streaming into New York from outside the state's borders.

- Over 90% of firearms seized in New York City were originally purchased in other states.

Estimates of the number of handguns in circulation on the streets of New York vary widely—from 1-2 million. No one knows the exact number. But we do know one thing:

Whatever we are doing to reduce violent—especially handgun-related—crime is not working.

CURRENT PRACTICE

Until now, despite good intention, a number of new programs, and a series of orders emanating out of One Police Plaza, gun arrests in New York City have largely been viewed in a vacuum: the simple confiscation of a piece of hardware that may, or may not, have been used in another crime.

Rarely have gun confiscations been used to attack a series of related crimes: the trafficking and purchase of the gun in the first instance, other crimes committed with the weapon, or the crimes of accomplices who have not been systematically pursued once the arrest of one defendant is made.

The current practice of the NYPD, described largely in Interim Order 24 (April 9, 1992), is summarized as follows:

When uniformed and non-uniformed members of the Patrol Services Bureau make arrests for crimes in which a gun was involved, they are instructed to:

- call, in cases where both drugs and guns are involved, the Narcotics Division to check its computerized NITRO (Narcotics Investigative Tracking of Recidivist Offenders) database to see if the suspect has a prior conviction on a firearms-related charge; if so, a member of the NITRO unit is supposed to respond to the precinct, augment the case (by pursuing and interviewing witnesses, vouchering additional evidence, etc.), and inquire about the seller of the firearm; or
- call, in cases where drugs are not involved, the Career Criminal Investigation Unit of the Detective Bureau to determine if the suspect has a prior conviction on a firearms-related charge; if so, a member of CCIU is supposed to respond to the precinct, augment the case, and inquire about the seller of the firearm; or
- prepare a Firearm Arrest Enhancement Worksheet, in those cases where CCIU or NITRO is not responsible, and ask the suspect who sold him or her the gun, the seller's address, the caliber of weapons the seller provides, and the method of transporting firearms; and, if appropriate,

- refer the suspect to the joint Organized Crime Investigative Division (NYPD) and Bureau of Alcohol, Tobacco and Firearms (US Department of Treasury) Task Force (known as the Joint Firearms Task Force), if the suspect indicates a willingness to cooperate.

How has this system worked?

In 1993, 11,222 arrests were made for crimes in which a firearm was confiscated, and 13,134 guns were taken off the streets by the NYPD.

Of these arrests, 8,920 were made by uniformed and plainclothes members of the Patrol Services Bureau.

- In addition to its other work, the CCIU of the Detective Bureau augmented 500 firearms-related cases last year and referred 22 cases to the OCID/ATF Task Force.
- In addition to its other work, the NITRO unit of the Narcotics Division found 28 names in its computerized files last year and augmented 14 cases.
- The Joint Firearms Task Force responded to precincts and other elements of the criminal-justice system a total of 66 times to interview potential confidential informants. A total of 10 confidential informants were developed from this list. These informants contributed to a total of 11 arrests (with a dozen more pending), and 105 firearms seized.

FACT: During 1993, the combined efforts of specialized units referenced in Interim Order 24 yielded 4 confidential informants from precinct-based activity, 10 arrests, and 48 guns.

FACT: Firearms-related arrests have been declining since 1991.

FACT: Not all accomplices and gun traffickers who may have been connected to the 11,222 arrests in which firearms were confiscated in 1993 were systematically pursued by the field units of the Detective Bureau.

This is due to the fact that even though firearms-related cases are referred to detectives, they may be cleared and closed with one arrest—even when more suspects are involved.

FACT: In many firearms-related cases, suspects are not routinely interviewed by detectives, the department's personnel who are experienced and have been trained in case-enhancement and debriefing techniques.

This has been due to the fact that members of the Patrol Services Bureau, who had not received formalized training in these techniques, were the personnel instructed to fill out the Firearm Arrest Debriefing Worksheet.

There is anecdotal evidence that lack of training for Patrol in making and presenting gun cases is weakening firearms-related cases, resulting in unnecessary dismissals and acquittals.

FACT: Based on the conviction rates achieved for felony weapons charges between 1981 and 1992 (43-55%), it appears that only half of the suspects arrested primarily on a felony weapons charge are convicted.

But training in the area of firearms-related crimes is not the department's only deficiency. Equipment is another.

FACT: Each year on average, only 15 searches are run at the request of detectives trying to connect two or more crimes by examining a small selection of the tens of thousands of guns, bullets, and shells which have been taken in all evidence cases.

This has been due to the fact that all such test comparisons are done by hand, and it has not been the policy of the NYPD to run such tests on confiscated weapons, except where an investigator has made a hypothetical connection between specific weapons in two or more pending cases.

STRATEGY

As of Monday, March 7, 1994, it will be the policy of the New York Police Department to:

REFOCUS AND EXPAND INVESTIGATIVE RESOURCES

- to identify and pursue all accomplices involved in the commission of violent crimes;
- to identify and pursue gun traffickers inside and outside New York whenever an illegal gun is used in this city;
- to utilize detectives in the precincts to strengthen every gun arrest made by uniformed and plainclothes police officers; and
- to assign case responsibility at the precinct level to encourage results-oriented police and investigative work;

REFOCUS PATROL RESOURCES

- to refocus and expand the Street Crime Unit of the Patrol Services Bureau to attack specific high gun-violence areas;

REVISE AND EXPAND TRAINING

- to teach detectives case development of gun investigations, apprehension of illegal firearms traffickers, confidential-informant registration, and search warrants; and

- to teach police officers to better recognize the signs of weapons possession and to make better cases against individuals they arrest;

OBTAIN AND DEPLOY TECHNOLOGICALLY ADVANCED EQUIPMENT

- to match guns used in more than one outstanding crime; and
- to trace guns to illegal sellers throughout the country;

SECURE COMMITTED SUPPORT

- from the public, to identify and help locate all those who possess, use, or sell illegal firearms in their neighborhoods;
- from the Housing and Transit Police, to pursue a parallel gun strategy.

REFOCUS AND EXPAND INVESTIGATIVE RESOURCES

PRECINCT-BASED DETECTIVES

Responsibility for systematically identifying, pursuing, and capturing accomplices involved in firearms-related crimes and the sellers of weapons used in those crimes will now be assigned to the units of the Detective Bureau located at the precinct level. These units will include the Robbery Identification Program (RIP) Units in the 39 precincts where they are located and the Precinct Detective Units (PDUs or squads) where RIP units do not now exist.

In all cases of arrests involving firearms, these units will interview suspects to augment the case against them, to identify any accomplices, to identify the seller of the weapon, to match the modus operandi of the crime against outstanding cases and re-interview complainants from those cases, and to involve prosecutors in determining disposition of these cases.

The investigative steps performed by these units will be as follows:

- 1 Interview the suspect(s) to obtain a statement (written if possible) concerning the possession of the weapon and identification of accomplices in all arrests involving firearms.
- 2 Debrief all defendants to obtain the identity of gun traffickers.
- 3 Develop information to identify modus operandi, patterns, and leads on outstanding complaints.
- 4 Conduct line-ups when possible.
- 5 Prepare information for search warrant applications and develop plans for warrant execution.
- 6 Cultivate and register confidential informants.
- 7 Aggressively pursue the apprehension of all accomplices.
- 8 Organized Crime Control and other investigative units will enhance their own firearms arrests and will follow the steps outlined above.

JOINT FIREARMS TASK FORCE

NYPD and ATF personnel committed to the Task Force will be increased. Additionally, the Federal Bureau of Investigation will assign two agents to the Task Force. NYPD detectives and ATF agents will target illegal gun traffickers locally and pursue accomplices who supply 90% of illegal guns from six states. Detectives will be deputized as U.S. Marshals so that, along with their ATF colleagues, they will be able to use federal gun statutes, wiretap provisions, and grand juries, as well as travel out of state with full police powers, to pursue gunrunners along the pipelines from key supplier states.

WARRANT DIVISION

The Warrant Division—with its 137 investigators, 41 supervisors, commanding officer, and 57 civilians—is transferred from the Office of the Deputy Commissioner, Legal Matters, to the Detective Bureau. The Detective Bureau will prioritize the outstanding warrants for firearms-related crimes, coordinate this activity with RIP and precinct detective units, and execute these warrants expeditiously.

REFOCUS PATROL RESOURCES

STREET CRIME UNIT

The 86 police officers and 12 supervisors of the elite, citywide Street Crime Unit will be increased by 25% and deployed in a concentrated approach in one high-crime area at a time, on a 7-day, 24-hour a day basis, to determine to what extent they can increase firearms-related arrests, reduce violent crime in those communities, and address crime displacement into neighboring areas. Precinct resources will then be used to maintain areas taken by the Street Crime Unit.

REVISE AND EXPAND TRAINING

Revised training will move forward on three fronts:

- 1 RIP unit detectives will receive a five-day course which will focus on robbery investigations, case development of gun investigations, and apprehension of illegal firearms traffickers. These detectives will be trained to be more thorough when preparing the pertinent warrant information on the On Line Booking Sheet. They also will be instructed in interviewing and interrogation techniques for debriefing prisoners held in gun-related cases.

This training will be completed by July 15, 1994.

- 2 Precinct Detective Units will receive precinct-based training on case development of gun investigations, apprehension of illegal firearms traffickers, registration of confidential informants, and search warrants.

This training will be completed by July 15, 1994.

- 3 Uniformed and plainclothes members of the Patrol Services Bureau will receive precinct-based training on the "Anatomy of a Gun Arrest," from the initial street encounter to courtroom testimony. This will enable police officers to find concealed weapons more effectively, safely effect arrests, and help obtain higher rates of conviction by making better presentations to prosecutors, grand juries, and judges.

This training will be completed by July 15, 1994.

OBTAIN AND DEPLOY TECHNOLOGICALLY ADVANCED EQUIPMENT

The technology of the late 20th century must be brought to bear on rapidly proliferating firearms-related crimes.

COMPUTERIZED BALLISTICS

If approved by the New York State Legislature, the Governor's Budget provides approximately \$600,000 to purchase for the New York Police Department its first computerized system for comparing spent bullets and discharged shells.

Bullet Proof is a computerized imaging analysis system used for examining and comparing spent bullets recovered from victims and crime scenes.

Drug Fire is a computer which photographs, through a comparison microscope, the breech face and firing pin impressions of discharged shells.

GUN TRACING

The Federal Bureau of Alcohol, Tobacco and Firearms (ATF) is providing \$20,000 to install a computerized connection to the new ATF tracing center under construction in Martinsburg, Virginia. This information will be used by the NYPD and the ATF in pursuing gun trafficking investigations.

Procurement and installation of this system is targeted for completion by April 1994.

AUTOMATED PISTOL LICENSE RECORDS MANAGEMENT

The New York Police Department will begin automation of all firearm ownership and license records in March 1994 and complete data entry one year later. Individuals in possession of suspected unlicensed firearms or of weapons suspected of being carried in violation of the Department's regulations will be checked against this database.

SECURE COMMITTED SUPPORT

FROM THE PUBLIC

The Crime Stoppers program funded by the New York City Police Foundation is offering rewards up to \$1,000 for information leading to the arrest of anyone illegally possessing a firearm. Cases not resulting in immediate arrest will be referred to the RIP units and precinct detective squads for follow-up. The Crime Stoppers hotline, (212) 577-TIPS, will be publicized for those who have information about individuals with illegal guns.

WNBC-TV has promised to produce all 30-second spots for airing on their station and all others in the New York market. Negotiations are currently under way with all commercial stations to secure high-visibility slots for broadcasting these spots.

In addition, precinct commanders will work with local community groups to gain information about individuals who possess what may be illegal handguns in their neighborhoods.

Gun-exchange programs, in which people who turn in firearms to the police receive a cash or other kind of reward, will continue to be encouraged. Private donors for rewards of this kind are being sought.

FROM THE TRANSIT AND HOUSING POLICE

Both the Transit and Housing Police will be asked to run parallel and/or joint operations against firearms-related crime in the subway and housing developments of the city.

EVALUATION

After deploying these strategies for a period of six months, a report on their impact will be submitted to the Mayor, with recommendations for strategic and operational adjustments as required.

3.23.94

0484

THE WHITE HOUSE

WASHINGTON

March 22, 1994 94 MAR 22 P9:26

MEMORANDUM FOR THE PRESIDENT

FROM: ANTHONY LAKE ✓

SUBJECT: Letter from Admiral Zumwalt on Agent Orange

Purpose

To respond to a letter (Tab B) from Admiral Zumwalt following up on your conversation with him at Renaissance on the subject of Agent Orange.

Background

In the years since the war in Southeast Asia ended, controversy has swirled around the question of the long-term health consequences of Agent Orange for the personnel who were exposed to this herbicide. In an attempt to put an end to the controversy, Congress in 1991 directed the National Academy of Sciences (NAS) to provide a thorough and unbiased analysis of the issue. To conduct the study, a 16-member NAS committee, chaired by Dr. Harold Fallon, Dean of the University of Alabama Medical School in Birmingham, was established comprised of leading authorities in their scientific fields, including occupational and environmental medicine, toxicology, epidemiology, pathology, clinical oncology, psychology, neurology and biostatistics.

From the beginning of its work, the NAS committee recognized that it could not conduct a credible scientific review without a full understanding of the experiences and perspectives of Vietnam veterans. The committee also recognized that the issue was clouded by allegations of scientific misconduct and accusations of a government conspiracy to suppress information on health affects.

As a result, the committee decided to supplement its standard scientific process by holding many meetings with veterans and representatives of veterans service organizations, congressional committees, federal agencies and scientific organizations to allow these interested parties to voice their concerns and opinions, provide personal information about individual exposure to Agent Orange and inform the committee of recent research results and ongoing studies.

cc: Vice President
Chief of Staff

Handwritten notes:
This should not
be taken as a
warning of a
possible future
to add a copy of
this letter to
the file

Toward this end, Admiral Zumwalt appeared twice before the Fallon Committee -- in June and September of 1992. The Admiral's testimony focused on the degree to which he believes policy decisions can impact on science to produce flawed scientific results.

Following a further review by an independent panel of distinguished experts, the Fallon Committee released its report on July 27, 1993. At that time, Secretary of Veterans Affairs Brown announced that as a result of the NAS study, two diseases (Hodgkin's Disease and a liver disorder) were being added to the list of diseases the VA previously had recognized as being associated with herbicide exposure related to Vietnam service. The VA then established a task force to consider the NAS report in more depth. The task force held hearings with veterans service organizations. Acting on recommendations from the VA task force, Secretary Brown announced on September 27, 1993 your decision to approve disability payments to Vietnam veterans suffering from respiratory cancers (lung, larynx and trachea) and multiple myeloma, based on presumed exposure to Agent Orange and other herbicides.

The VA did not find that a number of other medical conditions categorized by the NAS study as being less likely associated with Agent Orange exposure met the statutory definition of "positive association," and hence disability payments were not justified in these cases. Nonetheless, Secretary Brown asked the NAS to focus on two such diseases (prostate cancer and peripheral neuropathy) in its next review, which is expected to be completed for the VA in July 1995. The Secretary also approved a number of other recommendations by the NAS panel that will facilitate future research in this area.

Admiral Zumwalt believes that recent studies indicate that a number of additional diseases should be added to the compensation list since they, in his view, meet the statutory test that credible evidence for an association between the disease and exposure to herbicides is "equal to or greater" than the credible evidence against such an association. These include all cancers, diabetes, birth defects in the children of Vietnam veterans and reproductive deficiencies in Vietnam veterans.

In the proposed letter of reply at Tab A, you express your admiration for Admiral Zumwalt's abiding interest in this issue, outline the process Secretary Jesse Brown has established to determine whether additional diseases should be added to the Agent Orange compensation list and ask the Admiral to provide more information concerning the recent medical studies he

believes substantiate a causal relationship between Agent Orange and the additional diseases cited in his letter.

RECOMMENDATION

That you sign the letter to Admiral Zumwalt at Tab A.

Attachments

Tab A	Proposed Letter to Zumwalt
Tab B	Incoming Correspondence from Zumwalt

THE WHITE HOUSE

WASHINGTON

Dear Bud:

Thank you for your letter following up on our dinner conversation at Renaissance concerning Agent Orange. As you know, I have the deepest respect for your abiding interest in this critical issue.

You have asked that we add four additional categories of diseases and medical conditions (all cancers, diabetes, birth defects in the children of Vietnam veterans and reproductive deficiencies in Vietnam veterans) to the list currently authorized for compensation based on presumed exposure to Agent Orange and other Vietnam-related herbicides. Before I can do so, as you know, the law requires credible evidence of an association between the conditions and exposure to Vietnam-related herbicides that is equal to or greater than credible evidence against such an association.

In reviews conducted to date, including the National Academy of Sciences' (NAS) review of the 1993 study of Agent Orange, the Veterans Administration has yet to reach a finding that the four additional diseases or conditions you cite meet this statutory requirement. However, Secretary Brown has asked the NAS to continue to review Agent Orange, with its next review expected to be completed in just over a year.

In this context, I have asked Robert Bell, Senior Director for Defense Policy of the National Security Council staff, to meet with you to discuss this problem. If you could provide Bob with copies of the recent studies you believe establish the required association, we will make sure that they receive the attention of Secretary Brown.

Many thanks for keeping me informed on this issue.

Sincerely,

Bill Clinton

*Keep on top
of this - Thanks*

Admiral E. R. Zumwalt, USN (Ret.)
1500 Wilson Boulevard
Suite 641
Arlington, Virginia 22209

THE PRESIDENT HAS SEEN 0484



E. R. ZUMWALT, JR.
ADMIRAL, U. S. NAVY (RET.)

Handwritten:
He looked
at the list &
said - I'd like to
do a little more
research

January 5, 1994

President William J. Clinton
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Mr. President:

As requested by you during our dinner together at Renaissance, I submit herewith the one-page summary of Agent Orange related diseases recommended to be added to those designated for compensation by the Secretary of Veterans Affairs.

I believe that these diseases are clearly justified under the criterion of law which requires that it be "as likely as not" that they are related to exposure to Agent Orange. Recent studies have pushed us over the top with regard to this determination. In addition, when one lowers the weight given to the negative results of government studies manipulated by the Reagan Administration and to those that have been manipulated by chemical corporations, there should no longer be any doubt about the "as like as not" criterion.

The following diseases have already been approved for compensation: non-Hodgkin's lymphoma, soft tissue sarcoma, chloracne, lung cancer, larynx cancer, trachea cancer, multiple myeloma, porphyria cutanea tarda.

The diseases which should be added are attached.

I am grateful for your consideration of this matter.

Sincerely,

Handwritten signature: E. R. Zumwalt, Jr.
E. R. Zumwalt, Jr.

1500 Wilson Boulevard, Suite 641
Arlington, Virginia 22209

(703) 527-5380

Enclosure



E. R. ZUMWALT, JR.

ADMIRAL, U. S. NAVY (RET.)

SUBJECT: Agent Orange Related diseases recommended for compensation in the light of recent studies and in recognition of the lowered significance of negative studies which have been manipulated

1. Since other Agent Orange related hormonal effects, including immune suppression, may result in multi-organ sensitivity and may contribute to the overall increased mortality from all malignancies combined, add all cancers to the list of those cancers currently authorized for compensation.
2. Since recent studies demonstrate that it is "as like as not" that diabetes can result from exposure to the dioxin, which is an ingredient of Agent Orange, add diabetes to the list.
3. Since numerous animal and human studies indicate that birth defects and reproductive problems can result from exposure to the dioxin, which is an ingredient of Agent Orange, and since it is now reasonable for the Secretary of Veterans Affairs to discount previous manipulated government studies concerning birth defects and reproductive problems, add birth defects in the children of Vietnam veterans and reproductive effects on Vietnam veterans to the list of diseases to be compensated.

In summary, add the following diseases for compensation:

1. All Cancers
2. Diabetes
3. Birth Defects in the Children of Vietnam Veterans
4. Reproductive Deficiencies in Vietnam Veterans



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

THE PRESIDENT HAS SEEN

3.23.94

94 MAR 22 P3:42

March 21, 1994

MEMORANDUM FOR THE PRESIDENT

FROM: Leon E. Panetta 
SUBJECT: Senate Budget Committee Mark-up of FY 95 Budget Resolution

Last week the Senate Budget Committee approved a Fiscal Year 1995 budget resolution which unfortunately was amended in the Committee mark-up to reduce discretionary spending by some \$43 billion in budget authority over the next five years below the Administration's budget. These cuts were not specifically targeted at any programs - defense and non-defense spending will both be exposed to reductions. This amendment was offered by Senators Grassley and Exon and was supported by Senators Simon, Lautenberg and Conrad along with all the Committee Republicans.

In FY 1995, the year for which appropriations bills will be considered this spring and summer, the Exon-Grassley amendment would reduce discretionary spending by \$5.2 billion in budget authority and \$1.6 billion in outlays. We are very concerned about a reduction of this size. While this is not a large number when compared with some \$540 billion in total discretionary spending, you will recall how difficult it was to find amounts in the \$100 to \$200 million range for our investments when the Administration's FY 1995 was being designed. Also, to put this cut in perspective, the outlay increase above FY 1994 for our investment programs was \$7.7 billion. A cut of \$1.6 billion will certainly put pressure on all programs, especially our investment programs.

Action in the Senate Budget Committee

The initial mark presented by Chairman Sasser - before the Exon-Grassley amendment was adopted - was even closer to the Administration's budget than the resolution approved by the House Budget Committee. None of the major Administration initiatives were reduced in the mark and additional funds were assumed for the Ryan White and Head Start programs. Additional funds were also assumed for Low Income Energy Assistance (LIHEAP), Mass Transit Operating Grants, Rural Electrification Administration, and Impact Aid B. An across-the-board cut in administrative expenses was assumed to bring discretionary spending down to the cap levels.

Two significant amendments were defeated in the Senate Budget Committee:

- o establishing a wall between defense spending and domestic discretionary spending.

- o a Republican substitute offered by Senator Domenici cutting \$322 billion from domestic discretionary spending, Medicare and Medicaid to reduce the deficit and pay for a \$500 per child tax credit for middle and upper income families and indexation of capital gains.

Action on the Senate Floor and Conference

It is doubtful that sufficient votes will exist on the Senate floor to restore the discretionary funds cut in the Senate Budget Committee resolution. Instead, our resources should be devoted to defeating another attempt to establish a defense "firewall". Establishment of such a firewall would result in the \$43 billion of cuts coming solely out of domestic discretionary spending, severely harming our investment agenda.

* In the House-Senate conference on the resolution we should make every attempt to restore the funding cut by the Senate, especially in FY 1995. My expectation is that at least a 50/50 split between the higher House number and the lower Senate number is achievable. If the defense "firewall" is defeated in the Senate and there is no hope of protecting defense from the \$43 billion in cuts, there may even be support for restoring all of the \$43 billion in cuts.

THE PRESIDENT HAS SEEN ³¹/₂₃

THE WHITE HOUSE

WASHINGTON

March 21, 1994

MR. PRESIDENT:

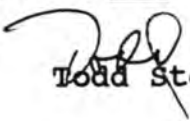
Attached is a decision memo from Carol Rasco and Tony Lake on proposed INS asylum regulations. The regs are designed to streamline the "affirmative" asylum process (the process for asylum seekers who are already in the United States, as distinguished from those apprehended at ports-of-entry). There are two controversial issues:

- a proposed \$130 filing fee, which could be waived for indigents. This proposal has been criticized in the press. The memo notes that if 20% of applicants actually paid the fee, it would generate about \$3 million a year;
- work authorization would generally be denied while an asylum claim was pending. The UN High Commissioner for Refugees criticizes this proposal as out of step with all western countries, which provide either work authorization or economic benefits.

The INS and Senate staff urge prompt publication of the proposed regs. Tony and Carol recommend allowing INS to publish the regs for comment, while directing the INS to develop an alternative on work authorization, at least covering hardship cases.

I have circulated this memo to relevant persons, including the Vice President, Mack, George and Gergen.

Approve ☒ Disapprove ☐ Discuss ☐


Todd Stern

THE WHITE HOUSE

WASHINGTON

March 18, 1994

94 MAR 18 PM 12:27

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: ANTHONY LAKE *TL*
CAROL H. RASCO *CR*

SUBJECT: Proposed Administrative Reforms to Affirmative
Asylum Procedures

I. INTRODUCTION

To combat alien smuggling and abuse of this country's asylum system, the Administration transmitted legislation to Congress to expedite exclusion of aliens who are apprehended at ports-of-entry without proper documentation. In addition, INS was directed to develop administrative reforms for the "affirmative" asylum process -- the asylum process for those who seek asylum after having been in the United States.

The INS has now drafted proposed regulations to implement reform of the affirmative asylum process. (A more detailed discussion and charts have been attached.)

II. OUTLINE OF THE PROPOSAL

The INS has developed these regulations with the goal of approving deserving applications more quickly and resolving expeditiously the growing number of undeserving applications being filed. INS retains much of the current structure, including each of the current four levels of review. However, the proposal eliminates many waiting periods and many of the detailed procedures currently required. In addition, for the first time the processes are integrated and information received in an application would be available for use before an immigration judge. Asylum officers would immediately refer to immigration judges those cases which upon interview do not merit asylum.

At least 90 percent of newly filed claims are expected to be completed within 180 days. Appealed claims, which represent less than 10 percent of all immigration cases, will continue at their current pace.

cc: Vice President
Chief of Staff

II. MAJOR GOAL: STREAMLINING THE PROCESS

We seek expeditious adjudications to provide fairness to bonafide claimants and to deter those seeking to take advantage of INS's current inability to adjudicate quickly and remove aliens from this country. Every attempt must be made to reduce incentives for obtaining asylum fraudulently. Quick adjudications will limit the ability of fraudulent claimants to recoup the cost of travelling to the United States, so that fraudulent attempts are not worth the expense. However, we must ensure that due process is maintained.

In initial discussions, you expressed an interest in an adjudicative process which could be completed within three to six weeks. While the proposed process is longer and does not eliminate any layers of review, it adequately protects due process interests and is a significant improvement over the current regime.

This proposal likely will be criticized for not streamlining the process enough and characterized as providing "too much process," and the mood among some in Congress is to legislate in this area. Senator Simpson, the ranking member of the Senate Immigration Subcommittee, has just introduced a comprehensive immigration bill which would legislate many of the changes INS would make by regulation. However, INS asserts that removing any layer of its process would result in an increased burden upon the remaining structure and could force many of these cases into the federal judiciary at a time when it is struggling with increased loads. INS also believes that this time-frame and this process are sufficiently prompt to deter fraudulent claims.

INS and the majority staff of the Senate Immigration Subcommittee are urging quick publication of the proposed regulations. The regulations provide INS with administrative flexibility that statutes do not allow. Publication of the proposed regulations would diminish some of the pressures to legislate further in this area.

III. CONTROVERSIAL ISSUES

A. APPLICATION FEE

The regulations would require, for the first time, a fee of \$130 for filing an asylum application to help meet the costs of the asylum program. While this fee has been the subject of some critical press commentary, the regulations provide a waiver for those who cannot afford to pay and we believe the waiver resolves this issue. (Precise estimates on the numbers who would pay are not available. If, however, we assume current application rates of about 10,000 per month and project that 20 percent of the applicants could pay, this would result in revenues of about \$3 million per year.)

B. WORK AUTHORIZATION

Many non-bonafide claimants apply for asylum primarily to gain permission to work. As a disincentive to fraudulent claims, the proposed regulations would generally deny work authorization to applicants with pending claims unless INS or an immigration judge failed to make an initial determination on the claim within 150 days.

There has been criticism of this proposal, with the UN High Commissioner for Refugees expressing regret that it is being considered. UNHCR states that all western countries either provide asylum-seekers with work authorization or economic benefits. The INS proposal would do neither.

INS would note that asylum-seekers often can rely on relatives or private voluntary organizations (of course, many would also work illegally). An INS review also indicated that a large percentage of claimants only file for asylum after being here for many months, thus revealing that many seem to have been able to derive sufficient support from these other sources.

However, INS does acknowledge that some bonafide claimants may find that without work authorization, they do not have the means easily to survive. At the same time, INS has yet to offer any plan to respond to this kind of circumstance. To be sure, we do not recommend blanket work authorization for all applicants, nor would we suggest holding up publication of the regulations for public comment (which precedes their final implementation). However, we do believe that INS should be directed to develop alternatives -- such as work authorization for special hardship cases -- for bonafide claimants who may find themselves destitute.

RECOMMENDATION

That INS be allowed to publish the proposed regulations for comment but that INS be directed to develop alternatives on work authorization as described above.

Approve _____

Need to discuss _____



Congress of the United States CONGRESSIONAL HUNGER CAUCUS

395 FORD HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6408

March 23, 1994

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

Dear President Clinton:

Colson
Pls see. - we need
to reply - advising

As you know, I have long championed the following foreign assistance accounts: 1). *Child Survival*, 2). *Basic Education*, 3). *Vitamin A and other micronutrient programs*, and 4). *UNICEF*. At the beginning of the 103rd Congress, I introduced the World Summit for Children Implementation Act (WSCIA). My bill sought increased appropriations levels for FY 1994 and FY 1995 for the accounts listed above.

Here is what the WSCIA sought compared to FY 1993 actual:

<u>Program</u>	<u>Actual FY '93</u>	<u>WSCIA FY '94</u>	<u>WSCIA FY '95</u>
Child Survival	\$275 m	\$405 m	\$490 m
Basic Education	\$135 m	\$225 m	\$380 m
Vitamin A/Micronuts	\$ 25 m	\$ 50 m	\$ 75 m
UNICEF	\$100 m	\$115 m	\$130 m

While the House Appropriations Committee did not accept the FY 1994 numbers I sought in the WSCIA, the Committee did suggest level funding in its FY 1994 report, i.e. \$275 million for Child Survival for FY 1994. It is my understanding that USAID has not subscribed to the Committee's suggested funding levels for these accounts and has instead decided to expend much lower amounts, i.e. \$235 m for Child Survival for FY 1994. USAID did keep UNICEF at \$100 m.

Because USAID ignored not only the higher numbers I think we should spend to bring us closer to realizing the goals of the summit, but the Appropriations Committee report numbers as well, I decided to collect signatures on a letter to you that supports higher levels for these accounts. I see this letter as an "updated" or "second session" version of the WSCIA. This letter, soon to be delivered to you, has created a great deal of interest in the Congress and with concerned NGOs. Several grassroots groups are working hard on gaining co-signers for the letter. We currently have approximately 45 co-signers.

It is not my intention to have the numbers included in the letter to you to serve as a "line in the sand". As a matter of fact, I recently testified before the House Budget Committee seeking *compromise* numbers similar to those I today seek from you.

The numbers I am seeking from you are as follows:

<u>Program</u>	<u>FY 1995 Actual FY '94</u>	<u>FY 1995 Clinton Letter</u>	<u>Compromise</u>
Child Survival	\$235 m	\$390 m	\$275-350 m
Basic Ed.	\$105 m	\$260 m	\$175-225 m
Vit. A, etc.	\$ 13 m	\$ 42 m	\$ 22-30 m
UNICEF	\$100 m	\$130 m	\$115-120 m

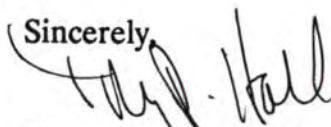
In my letter to you, I have suggested areas to examine to pay for the increases I seek in the accounts listed above.

1. Re-prioritization of funds (approximately \$100 m) from within USAID's FY 1995 "Broad Based Economic Growth" priority area. The current request for this entire category is \$1.065 billion.
2. De-obligation of funds from within the multi-billion dollar aid pipeline for projects that are not achieving results.
3. Reducing the U.S. contribution to the Asian Development Fund if it does not, as seems likely, become more effective in addressing poverty.
4. Transfers from outdated security programs.
5. Cutting funding for infrastructure projects with questionable environmental impacts.
6. Transfers from the \$1.25 billion for the International Development Association (IDA). The \$1.25 billion requested for FY 1995 for IDA represents a 22 percent increase above the FY 1994 level.

I fully realize you care deeply about child survival, basic education, micronutrients, and UNICEF. Without doubt, you have a tough job of balancing these precious programs against others that are also beneficial. I strongly believe, however, that if we do not move now to overcome the worst aspects of poverty, malnutrition, illiteracy and disease, as envisioned by the World Summit for Children, then it is clear it is not because it is not a possibility but because it is not a priority. The funds I am seeking to re-program represent approximately \$120 million. With you speaking often about the great value of these programs, especially Child Survival and Vitamin A, we have at hand a rare opportunity to move closer to the goals of the World Summit for Children.

I look forward to working with you on this important matter.

Sincerely,



Tony P. Hall, Chairman
Congressional Hunger Caucus

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Next WOLAN

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THE PRESIDENT HAS SEEN

3.23.94

THE WHITE HOUSE

WASHINGTON

March 17, 1994

94 MAR 17 P3:30

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: ANTHONY LAKE
BERNARD NUSSBAUM
JOHN PODESTA

SUBJECT: NSC Status

Purpose

To decide whether to litigate or settle a lawsuit concerning the status under the Freedom of Information Act of the National Security Council.

Background

Armstrong v. Executive Office of the President is a long-standing suit brought by National Security Archives and others to gain access under the Freedom of Information Act (FOIA) to E-mail and other records generated by the NSC during the Reagan and Bush administrations. The litigation has expanded over time to include the entire EOP, current E-mail, and the guidance provided employees concerning the preservation of E-mail. We have made a major effort to settle this case. We should be able to agree with plaintiffs on most issues, since unlike the prior Administration, we agree on the importance of treating E-mail as records to be properly preserved.

One issue, however, eludes settlement -- the status of the NSC under the FOIA. For decades, the NSC has treated most of its records as presidential because they are created to provide advice to you, through the National Security Adviser. The NSC has, however, traditionally made certain categories of its documents available under FOIA (e.g., administrative files, intelligence oversight records, and documents relating to its inter-agency coordination function). Such documents have also become part of the permanent NSC files, and remain with the NSC from Administration to Administration.

In settlement talks, we have offered to continue to treat many of the NSC's records as subject to FOIA. Plaintiff's position, however, is that the NSC is a federal agency, whose records are all subject to FOIA. For settlement purposes, plaintiffs are willing to exempt from FOIA those records produced by NSC staff for Tony and Sandy, or for Tony and Sandy to send to you, and your notes to Tony and Sandy, to the extent that distribution of those records is tightly controlled. Even these documents, however,

cc: Vice President
Chief of Staff

would become federal under plaintiffs' proposal when made generally available within the NSC staff, i.e., shown to more than three people. Memoranda to Tony and Sandy or from Tony to you frequently are reviewed by several regional or functional offices in the NSC with relevant expertise. (Currently, NSC presidential records lose their presidential status only when distributed to Cabinet agencies; generally, only formal decision documents and interagency produced documents, not internal NSC documents, are distributed outside the White House.)

Further offers by us are likely to produce little movement by plaintiffs who are eager to litigate that the NSC is a totally federal agency. We must, therefore, decide to litigate the case or settle essentially on the basis of plaintiff's latest offer.

Discussion

Option 1 -- Litigate

Tony Lake and Bernie Nussbaum believe plaintiffs' settlement offer is unacceptable and the issue should be litigated. (Joel Klein has reviewed the matter and concurs.) The status of the NSC affects important presidential prerogatives. Presidential records remain subject to your control for up to 12 years and are not fully subject to FOIA until that time; federal records are retained and can be disclosed by a succeeding Administration. The NSC staff serves as the President's staff, reporting through Tony; its sensitive records warrant the same protection accorded to the records produced by the staff of the DPC, OEP, and NEC, for example. Viewing the NSC as presidential is consistent with the status of the CEA, which has been sustained by the courts as presidential. It is also consistent with the special responsibilities the Constitution accords to the President for national security matters.

Moreover, Tony and Bernie are concerned that implementing plaintiff's offer would impede the efficient operation of the NSC. NSC staff are fully integrated into the White House. Many NSC staff are dual-hatted, with roles in the NEC, OEP, Counsel's office, Press office, and Office of Legislative Affairs. Information moves routinely between them; the NSC is also connected by E-Mail to the Vice-President's office. Accepting the plaintiffs' offer would mean that communications between the White House and NSC staff could lose their presidential status unless directed solely to Tony or Sandy, (an impractical solution given the flow of information between NSC and White House staff).

Litigating the case does have downsides. Because all the case law to date indicates that an entity must be solely presidential, or else it is entirely federal and subject to FOIA, we believe the best litigating strategy (if not the only viable litigating strategy) is to assert that all of the NSC's records are presidential. It is possible we will lose the litigation, and be found all federal and subject to FOIA. Also, plaintiffs will put our litigating posture in the worst possible light -- seeking to portray us as more secretive than the Reagan and Bush administrations, which made some NSC records available under FOIA. And, if we prevail, we will have made it possible for

future administrations to withhold all NSC documents from FOIA inquiries.

We would intend to offset this criticism by pointing out that all NSCs have asserted that they create primarily presidential material and that we are taking the position that the NSC is solely presidential only because the court has indicated that is the only way to continue to protect NSC material traditionally treated as presidential. We will also propose that you direct, perhaps through an Executive order issued a few days before our brief is due, that the NSC continue to process public requests for certain categories of NSC records. We will also brief relevant members of Congress prior to filing our brief.

The Vice President also supports this approach.

Option 2 -- Settle on Plaintiffs' Terms

John Podesta recommends this option.

John agrees that plaintiffs' offer is not where we would choose to come out, and would have us continue to negotiate to improve it. However, given our long history of the NSC treating itself as a federal agency, he believes that we are likely to lose the litigation asserting the NSC is presidential. Failure to accept plaintiffs' offer, in his view, will lead to a court decision that we are totally federal. He also cautions that treating core National Security Decision documents as presidential may result in cutting off access from one Administration to the next of critical foreign policy decisions, which is not wise policy. He argues we should avoid the adverse publicity of litigation by going to plaintiffs' bottom line now, which does protect the most sensitive advice documents.

The NSC Legal Adviser, Department of Justice and Counsel's office believe we have a reasonable chance of prevailing in the litigation. NSC and Counsel also believe that a public decision by you to leave behind certain NSC documents for the next Administration, combined with 45 years of similar practice by previous Administrations, will create a strong disincentive to a subsequent Administration curtailing access to NSC documents even if we establish in Court that a President could do so as a matter of law.

If you decide we should litigate, John endorses the proposal of a Presidential decision to continue permitting FOIA access to many of the NSC's documents, both to offset the adverse media criticism and to institutionalize a good NSC practice.

RECOMMENDATION

That you authorize us to litigate the status of the NSC on the basis it is solely presidential. (The Vice President, Tony Lake and Bernie Nussbaum recommend.)

Approve _____

Disapprove _____

Alternatively, that you authorize us to settle the Armstrong litigation on the basis of the plaintiffs' settlement offer. (John Podesta recommends.)

Approve _____

Disapprove _____

The Washington Post Writers Group

1150 15TH STREET, N. W., WASHINGTON, D. C. 20071-9200

TEL: (202) 334-6375

(800) 875-8794 PRESIDENT HAS SEEN

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^EDWIN YODER COLUMN<

^(Advance for Wednesday, March 23, 1994, and thereafter)<

^(For Yoder Clients Only)<

^By EDWIN M. YODER, JR.=

WASHINGTON--When Secretary of State Warren Christopher makes news, he usually seems to be issuing warnings and those warnings are often contemptuously ignored--as they were, recently, by the Chinese.

Christopher visited Beijing to warn that unless China improves her treatment of political dissidents, the United States will not renew China's most favored nation trade status. It is a threat that many--apparently including the Chinese--regard as a bluff. The Chinese ignored the warning and added a touch of impudence by jailing more political prisoners when Christopher was en route.

Christopher is becoming a symbol and symptom of certain flaws of Clinton foreign policy--that it is often driven by domestic politics (the quest for export-driven jobs at almost any price) and marked by a hectoring insistence that other nations do things our way. But above all, especially in the Pacific area, it seems devoid of strategic imagination.

It pains me to say that, for Warren Christopher is one of the truly nice and honorable people in public life--cheerful, modest, elaborately courteous. Jimmy Carter called him "the best public servant I know." Bill Clinton seems to feel the same.

But is he the right man for this job? Christopher's humiliation in Beijing sprang from the usual American inclination to butt heads, in the name of principle, with the Chinese about matters which they regard as their own business. But even if you assume that the fate of democracy in China is our business--and Congress, of course, exerts political pressure on the administration to push for it--the continuing belligerency of North Korea overshadows that issue, and most others, and makes the ragging of Beijing over human rights strategically inopportune.

(more)

North Korea is resisting international inspections under the nuclear non-proliferation treaty. China, North Korea's only real Asian ally, is one place to build a strategic fire wall against North Korea's dangerous inclination to try to develop a nuclear weapon.

A decade or so ago, China summoned experts from the World Bank and announced its intention to scrap Marxist economics and move promptly to a market economy. That policy has been a spectacular success. But the Chinese have combined their repudiation of the command economy with a continuing commitment to centralized party dictatorship.

Western-style democracy has no roots in China. That is a fundamental strategic given. Some familiar with the thinking in Beijing say, moreover, that Russia's haphazard experiment with political liberalization has been a devastatingly bad example. It has persuaded the Chinese leadership that rapid democratization would jeopardize party control and, with it, China's economic boom.

As startling as the current China policy is the administration's inclination to do battle with Japan. Notwithstanding an imbalance of trade which everyone believes is too large, Japan is a growing market for U.S. goods and services, well ahead of the European community. Moreover, the Japan-bashers in Washington seldom acknowledge that Japan, having no oil of its own, must earn substantial payments surpluses to finance oil imports, the sine qua non of prosperity. Nor do they like to notice that the Japanese reinvest most of their dollar earnings in the American economy. To be sure, the Japan-bashers take this amiss also, complaining that corporate America is being bought out by Tokyo.

In a famous series of lectures at the Army War College, George F. Kennan examined the historic tendency of U.S. diplomacy to deal in legalistic and moralistic terms that often strike other nations as hypocritical, and to ignore fundamental historical and material realities. Like many of his predecessors as secretary of state, Warren Christopher warns a lot and travels a lot, perhaps leaving himself too little time for strategic thinking--thinking that would, in this case, separate immediate issues (Chinese treatment of democratic dissidents and Japanese contracts to admit

(more)

more American goods to Japan's domestic market) from the ultimate issues. A long-range design for security and stability in the Pacific region is paramount. And our collaboration with the two Asian colossi is essential to that design.

Bill Clinton, notoriously preoccupied with domestic matters, needs a tough-minded realist to think strategically about foreign policy. Christopher's virtues are many. Do they include a gift for strategic thinking? I see no sign of it so far.

(c) 1994, Washington Post Writers Group

Paul L. Cejas
Chairman/CEO

Tony
Sum
W. Ruiz B

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3.23.94

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THE PRESIDENT HAS SEEN

3 23-94

THE WHITE HOUSE

WASHINGTON

March 23, 1994

94 MAR 23 PM 12:22

MEMORANDUM FOR THE PRESIDENT

FROM: LLOYD CUTLER
SPECIAL COUNSEL TO THE PRESIDENT
JOEL I. KLEIN
DEPUTY COUNSEL TO THE PRESIDENT
CHERYL MILLS
ASSOCIATE COUNSEL TO THE PRESIDENT

LNC

Lagumiller

RE: Jonathan Pollard - Request for Clemency

Attached is Attorney General Reno's recommendation concerning Jonathan Pollard, followed by a report from former Deputy Attorney General Heymann. Pollard was sentenced to life imprisonment in 1985 for selling thousands of pages of highly classified intelligence information to Israel while he was a civilian employee in the Navy. Under his current sentence, Pollard would be eligible for parole after ten years (in November 1995), but realistically is likely to serve twice that time.

The Attorney General recommends that you deny any clemency at this time. She reasons that "in light of the enormity of Mr. Pollard's offenses, his lack of remorse, the damage done to our national security, the need for general deterrence and the continuing threat he posed, the original life sentence imposed by the court was warranted. For the same reasons, I believe that to shorten his sentence, after the service of eight years, is unwarranted and would dissuade the goal of deterrence." The Attorney General also reviewed some other "options" put forward by Mr. Heymann -- involving reduction of Pollard's life sentence to a fixed term of years (e.g., 25 years) -- and concluded that "such action is unwarranted at this time because it is impossible to know all of the events that may occur in the intervening years or to know the circumstances that will exist at the time of his release. The additional time will also permit a more informed assessment of Mr. Pollard's conduct during the service of his sentence."

We agree with the Attorney General's conclusion and reasoning. We recommend that you approve her recommendation to deny clemency at this time.

Tony Lake also concurs. The Secretary of Defense and the Director of Central Intelligence oppose clemency, because of the severe damage to national security from

Pollard's espionage. Although Prime Minister Rabin has expressed support for Pollard's appeal, the Department of State concludes that foreign policy considerations are not sufficient to be taken into account in this case. Tony agrees that national security considerations outweigh any foreign policy considerations in this case.

Approve ☒

Disapprove ☐

Discuss ☐

Source
Stun

THE PRESIDENT HAS SEEN ²/₃

THE WHITE HOUSE

WASHINGTON

March 22, 1994

MR. PRESIDENT:

We received the attached letter from President Carter yesterday. I have forwarded the original to the NSC for a response, but thought you would want to see the letter as soon as possible.

Paul

R. Paul Richard

Tony/Ce/VP
→ I agree with this



JIMMY CARTER

March 18, 1994

To President Bill Clinton

As you may know, the Chinese stay in close touch with me, considering me to be a special friend because of my decision in 1978 to establish diplomatic relations between our two countries. In more recent years, The Carter Center has completed some significant projects in China, dealing with education and health care. Without being presumptuous, I believe that on some occasions I understand their seemingly peculiar reaction to events. In a proper way, they have often honored suggestions I have made to them, including some influence in Burma toward peace talks and a change in their position to permit the establishment of a High Commissioner for Human Rights at the U.N.

They have been in touch with me since the recent visit by Secretary Christopher to Beijing. Their technique is strictly to honor the proprieties of diplomacy and to disavow back channels, but to seek alternate ways to communicate their views. Recognizing this, just let me share with you my own personal views.

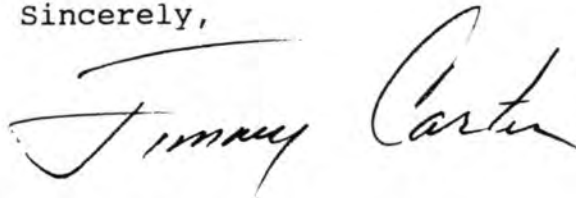
The Chinese are very eager to resolve differences with the United States, but feel that they have been put in an untenable situation. The stream of public condemnations from top American officials is much more discomfoting to them than would be the case with lesser nations or perhaps Western nations. Justifiably or not, they still consider themselves to be the Middle Kingdom, struggling to make carefully considered steps to open up their previously closed society. In making what I consider to be major progress toward a free market system, they feel that they cannot afford to let this rapidly evolving trend to economic freedom endanger the stability of their political system. Within the bounds of this constraint, they have made progress on political rights.

Also, the Chinese and most other Third World countries have a different definition of human rights from ours, emphasizing the right to shelter, food, health care, employment, and an education. They recognize our emphasis on freedom to speak, worship, etc. as important, but not dominant. By their measurement (not mine), the treatment of dissidents since the Tienanmen Square disaster has been relatively benevolent, and their total approach to societal freedom should have been acknowledged by the United States.

They deeply resent the annual berating of their policies and its repetitive tying to MFN. What seems to have been most disturbing to them was Christopher's criticisms of China from Australia and other foreign countries, and the unauthorized visit by Assistant Secretary Shattuck with one of the dissidents. Their temporary detainment and questioning of dissidents and their negative reaction to the Secretary's visit was, to me, predictable and in some ways inevitable. They cannot be cast in the role of an insignificant power or a lackey of the United States, forced publicly to modify their policies in order to gain some economic advantage. They don't understand why our nation's top officials deal with these sensitive matters in a public way that inhibits or almost prohibits private talks that can succeed.

I realize that you know all of this, and that you and Secretary Christopher have the situation in hand without my intrusion. However, I believe it will be a tragedy if we continue down the path of public confrontation. There are few people who are more committed to human rights than I am, but I believe that these rights in China are much more likely to suffer if we force Chinese leaders into a corner and do not work out privately a way for them to save face and for us to meet the demands of my American human rights friends and partners. The decision you make this year on trade with China may well be irreversible, and a great loss to American business and also to ordinary Chinese citizens.

Sincerely,

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned below the word "Sincerely,".

The Honorable Bill Clinton
The President of the United States
The White House
Washington, D.C. 20500-2000

cc: Secretary Christopher

Original HR
TONSC

THE WHITE HOUSE
WASHINGTON

DATE: 03/22/94

TO: NSC

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

A copy of this letter from
Jimmy Carter has been forwarded
to the President.

Please prepare a response for
the President to sign and
return to my office.

Thanks.



JIMMY CARTER

March 18, 1994

To President Bill Clinton

As you may know, the Chinese stay in close touch with me, considering me to be a special friend because of my decision in 1978 to establish diplomatic relations between our two countries. In more recent years, The Carter Center has completed some significant projects in China, dealing with education and health care. Without being presumptuous, I believe that on some occasions I understand their seemingly peculiar reaction to events. In a proper way, they have often honored suggestions I have made to them, including some influence in Burma toward peace talks and a change in their position to permit the establishment of a High Commissioner for Human Rights at the U.N.

They have been in touch with me since the recent visit by Secretary Christopher to Beijing. Their technique is strictly to honor the proprieties of diplomacy and to disavow back channels, but to seek alternate ways to communicate their views. Recognizing this, just let me share with you my own personal views.

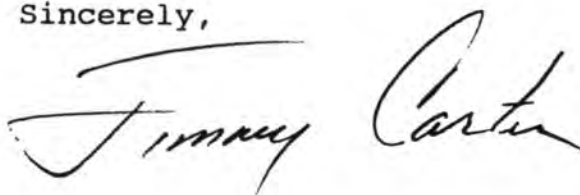
The Chinese are very eager to resolve differences with the United States, but feel that they have been put in an untenable situation. The stream of public condemnations from top American officials is much more discomfoting to them than would be the case with lesser nations or perhaps Western nations. Justifiably or not, they still consider themselves to be the Middle Kingdom, struggling to make carefully considered steps to open up their previously closed society. In making what I consider to be major progress toward a free market system, they feel that they cannot afford to let this rapidly evolving trend to economic freedom endanger the stability of their political system. Within the bounds of this constraint, they have made progress on political rights.

Also, the Chinese and most other Third World countries have a different definition of human rights from ours, emphasizing the right to shelter, food, health care, employment, and an education. They recognize our emphasis on freedom to speak, worship, etc. as important, but not dominant. By their measurement (not mine), the treatment of dissidents since the Tienanmen Square disaster has been relatively benevolent, and their total approach to societal freedom should have been acknowledged by the United States.

They deeply resent the annual berating of their policies and its repetitive tying to MFN. What seems to have been most disturbing to them was Christopher's criticisms of China from Australia and other foreign countries, and the unauthorized visit by Assistant Secretary Shattuck with one of the dissidents. Their temporary detainment and questioning of dissidents and their negative reaction to the Secretary's visit was, to me, predictable and in some ways inevitable. They cannot be cast in the role of an insignificant power or a lackey of the United States, forced publicly to modify their policies in order to gain some economic advantage. They don't understand why our nation's top officials deal with these sensitive matters in a public way that inhibits or almost prohibits private talks that can succeed.

I realize that you know all of this, and that you and Secretary Christopher have the situation in hand without my intrusion. However, I believe it will be a tragedy if we continue down the path of public confrontation. There are few people who are more committed to human rights than I am, but I believe that these rights in China are much more likely to suffer if we force Chinese leaders into a corner and do not work out privately a way for them to save face and for us to meet the demands of my American human rights friends and partners. The decision you make this year on trade with China may well be irreversible, and a great loss to American business and also to ordinary Chinese citizens.

Sincerely,

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned below the word "Sincerely,".

The Honorable Bill Clinton
The President of the United States
The White House
Washington, D.C. 20500-2000

cc: Secretary Christopher



THE WHITE HOUSE
WASHINGTON

DATE: 03/21/94

The Vice President
Mack McLarty
TO: David Gergen
George Stephanopoulos
FROM: JOHN D. PODESTA
Assistant to the President and
Staff Secretary

The attached has been forwarded
to the President.



THE WHITE HOUSE

WASHINGTON

March 21, 1994

MR. PRESIDENT:

Attached is a decision memo from Carol Rasco and Tony Lake on proposed INS asylum regulations. The regs are designed to streamline the "affirmative" asylum process (the process for asylum seekers who are already in the United States, as distinguished from those apprehended at ports-of-entry). There are two controversial issues:

- a proposed \$130 filing fee, which could be waived for indigents. This proposal has been criticized in the press. The memo notes that if 20% of applicants actually paid the fee, it would generate about \$3 million a year;
- work authorization would generally be denied while an asylum claim was pending. The UN High Commissioner for Refugees criticizes this proposal as out of step with all western countries, which provide either work authorization or economic benefits.

The INS and Senate staff urge prompt publication of the proposed regs. Tony and Carol recommend allowing INS to publish the regs for comment, while directing the INS to develop an alternative on work authorization, at least covering hardship cases.

I have circulated this memo to relevant persons, including the Vice President, Mack, George and Gergen.

Approve___ Disapprove___ Discuss___


Todd Stern

THE WHITE HOUSE

WASHINGTON

March 18, 1994

94 MAR 18 PM 2:27

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: ANTHONY LAKE *Thane*
CAROL H. RASCO *CR*

SUBJECT: Proposed Administrative Reforms to Affirmative
Asylum Procedures

I. INTRODUCTION

To combat alien smuggling and abuse of this country's asylum system, the Administration transmitted legislation to Congress to expedite exclusion of aliens who are apprehended at ports-of-entry without proper documentation. In addition, INS was directed to develop administrative reforms for the "affirmative" asylum process -- the asylum process for those who seek asylum after having been in the United States.

The INS has now drafted proposed regulations to implement reform of the affirmative asylum process. (A more detailed discussion and charts have been attached.)

II. OUTLINE OF THE PROPOSAL

The INS has developed these regulations with the goal of approving deserving applications more quickly and resolving expeditiously the growing number of undeserving applications being filed. INS retains much of the current structure, including each of the current four levels of review. However, the proposal eliminates many waiting periods and many of the detailed procedures currently required. In addition, for the first time the processes are integrated and information received in an application would be available for use before an immigration judge. Asylum officers would immediately refer to immigration judges those cases which upon interview do not merit asylum.

At least 90 percent of newly filed claims are expected to be completed within 180 days. Appealed claims, which represent less than 10 percent of all immigration cases, will continue at their current pace.

cc: Vice President
Chief of Staff

II. MAJOR GOAL: STREAMLINING THE PROCESS

We seek expeditious adjudications to provide fairness to bonafide claimants and to deter those seeking to take advantage of INS's current inability to adjudicate quickly and remove aliens from this country. Every attempt must be made to reduce incentives for obtaining asylum fraudulently. Quick adjudications will limit the ability of fraudulent claimants to recoup the cost of travelling to the United States, so that fraudulent attempts are not worth the expense. However, we must ensure that due process is maintained.

In initial discussions, you expressed an interest in an adjudicative process which could be completed within three to six weeks. While the proposed process is longer and does not eliminate any layers of review, it adequately protects due process interests and is a significant improvement over the current regime.

This proposal likely will be criticized for not streamlining the process enough and characterized as providing "too much process," and the mood among some in Congress is to legislate in this area. Senator Simpson, the ranking member of the Senate Immigration Subcommittee, has just introduced a comprehensive immigration bill which would legislate many of the changes INS would make by regulation. However, INS asserts that removing any layer of its process would result in an increased burden upon the remaining structure and could force many of these cases into the federal judiciary at a time when it is struggling with increased loads. INS also believes that this time-frame and this process are sufficiently prompt to deter fraudulent claims.

INS and the majority staff of the Senate Immigration Subcommittee are urging quick publication of the proposed regulations. The regulations provide INS with administrative flexibility that statutes do not allow. Publication of the proposed regulations would diminish some of the pressures to legislate further in this area.

III. CONTROVERSIAL ISSUES

A. APPLICATION FEE

The regulations would require, for the first time, a fee of \$130 for filing an asylum application to help meet the costs of the asylum program. While this fee has been the subject of some critical press commentary, the regulations provide a waiver for those who cannot afford to pay and we believe the waiver resolves this issue. (Precise estimates on the numbers who would pay are not available. If, however, we assume current application rates of about 10,000 per month and project that 20 percent of the applicants could pay, this would result in revenues of about \$3 million per year.)

B. WORK AUTHORIZATION

Many non-bonafide claimants apply for asylum primarily to gain permission to work. As a disincentive to fraudulent claims, the proposed regulations would generally deny work authorization to applicants with pending claims unless INS or an immigration judge failed to make an initial determination on the claim within 150 days.

There has been criticism of this proposal, with the UN High Commissioner for Refugees expressing regret that it is being considered. UNHCR states that all western countries either provide asylum-seekers with work authorization or economic benefits. The INS proposal would do neither.

INS would note that asylum-seekers often can rely on relatives or private voluntary organizations (of course, many would also work illegally). An INS review also indicated that a large percentage of claimants only file for asylum after being here for many months, thus revealing that many seem to have been able to derive sufficient support from these other sources.

However, INS does acknowledge that some bonafide claimants may find that without work authorization, they do not have the means easily to survive. At the same time, INS has yet to offer any plan to respond to this kind of circumstance. To be sure, we do not recommend blanket work authorization for all applicants, nor would we suggest holding up publication of the regulations for public comment (which precedes their final implementation). However, we do believe that INS should be directed to develop alternatives -- such as work authorization for special hardship cases -- for bonafide claimants who may find themselves destitute.

RECOMMENDATION

That INS be allowed to publish the proposed regulations for comment but that INS be directed to develop alternatives on work authorization as described above.

Approve _____ Need to discuss _____

3/21

THE PRESIDENT HAS SEEN 3/20/94

ALFRED J. O'HAGAN
Senior Government Liaison
Executive Department

Brooklyn Union Gas
817 Neptune Avenue, Brooklyn, NY 11224
Tel: (718) 630-3822

Kelly

THE WHITE HOUSE
WASHINGTON

DATE: 3/20/94

NOTE FOR: Gene Sperling

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

Information ☐

Action ☒

Thank you.

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

cc:

THE PRESIDENT HAS SEEN 3/18

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Influence in Washington

NEW YORKERS IN WASHINGTON

Positions of Influence: A Sampler

Harold M. Ickes	Deputy White House chief of staff
Robert E. Rubin	Assistant to the President for economic policy
Gene Sperling	Deputy assistant to the President for economic policy
Ronald H. Brown	Secretary of Commerce
Donna E. Shalala	Secretary of Health and Human Services
Roger C. Altman	Deputy Treasury Secretary
Mortimer L. Downey	Deputy Secretary of Transportation
Andrew Cuomo	Assistant Secretary of Housing and Urban Development
Mary Jo Bane	Assistant Secretary of Health and Human Services
Conrad K. Harper	State Department legal adviser
Arthur Levitt Jr.	Chairman of the Securities and Exchange Commission
Kevin Thurm	Chief of staff to Ms. Shalala
Sarah Kovner	Special assistant to Ms. Shalala

The New York Times

In Poll, Cuomo Lead Over Possible Rivals Slips ✓

By JAMES DAO

Special to The New York Times

ALBANY, March 7 — Suggesting that New York State voters are deeply confused about who they want as their governor, an independent statewide poll released today showed that Gov. Mario M. Cuomo's lead over several potential Republican challengers has slipped but remains comfortably in the double digits.

Providing a trove of seemingly contradictory information, the poll by the Marist Institute for Public Opinion in Poughkeepsie showed that while 60 percent of voters think Mr. Cuomo has generally been a good governor since he took office in 1983, 61 percent also think the state is heading in the wrong direction.

The poll of 706 registered voters also showed that Mr. Cuomo's approval rating remains in a trough at 35.6 percent, up a statistically insignificant 1.2 points from his all-time low recorded last November. The poll was conducted on Feb. 28 and March 1 and has a margin of error of plus or minus four percentage points.

Lee M. Miringoff, the director of

the institute, said the poll indicates that while most voters are dissatisfied with Mr. Cuomo's recent performance, he retains a deep reservoir of support from 11 years in office that the little-known Republican pack has been unable to drain.

Republicans and Democrats read the poll very differently. "I like the 60 percent number," Mr. Cuomo said, of the 60 percent who said he has generally been a good governor during 11 years in office. "If you're going to play the game of using a negative against me, you ought to have mentioned the positive."

But William D. Powers, the chairman of the state Republican Party, said the poll shows that 64 percent of New Yorkers think Mr. Cuomo's job performance, at least recently, has been only fair to poor.

"This is probably the worst news Mario Cuomo has gotten," Mr. Powers said. "Almost 50 percent of those polled were Democrats and liberals."

Mr. Cuomo holds leads ranging from 14 to 23 points over seven potential Republican challengers, the poll shows. But against four candidates

matched against him in a November 1993 Marist poll, Mr. Cuomo's lead has slipped by five to nine points.

One Republican who matched up well against Mr. Cuomo was United States Senator Alfonse M. D'Amato, whom the poll showed in a dead heat against Mr. Cuomo. However, Mr. D'Amato reiterated that he does not want to run for governor.

But he did make his strongest public endorsement to date of state Senator George E. Pataki, a Peekskill Republican. "I am supporting George Pataki and making it clearly known, unequivocally," he said.

Mr. Pataki is opposed by another prominent Republican, the Senate majority leader Ralph J. Marino. Mr. D'Amato's statements today seemed to increase the likelihood that the Republicans will remain divided until after the September primary.

Company News:
Tuesday through Saturday,
Business Day

March 17, 1994

MEMORANDUM FOR JOHN D. PODESTA

FROM:

TERRY W. GOOD

3/17 P5:51

RE:

UPCOMING VACANY IN OFFICE OF RECORDS MANAGEMENT

Attached is a formal notice from Russell Loiselle that he is resigning next month, April 15, to move to Alaska.

This will create a second unfilled slot in ORM.

Hopefully, this one can be filled soon.

I have several applicants which would allow me to fill both vacancies if approval were granted.

We have more than enough work to warrant staffing these two positions.

May I fill one? Yes ☐ No ☒ Let's talk ☒

May I fill both? Yes ☐ No ☒ Let's talk ☐

return to
TERM 3/20

THE WHITE HOUSE
WASHINGTON

MEMORANDUM

March 15th, 1994

To: Terry Good, Director
White House Office Of Records Management

From: Russell F. Loiselle 

Subject: Resignation

This serves as formal notice of my intent to resign from my position as Records Management Analyst effective April 15, 1994.

It has been an honor and privelege to serve the presidency and I will always look back fondly on my time spent at the White House. I will miss all of you very much and hope we can keep in touch.