

cc: her letter

Leon

~~NO~~

sum
M: This

RC

Leon
copied

cc: who?
← her letter

July 29, 1994

Gloria Cabe
888 16th Street, N.W.
Washington, D.C. 20006

Dear Gloria:

Thank you so much for your letter of encouragement. It really meant a lot to me. I continue to be amazed at the distortion of the facts in the press.

I knew this job would be tough when we asked for it, but I think we've done a lot of good and it remains an honor to try to make a difference.

Thanks for caring so much about us. I'm glad we had a chance to visit. See you soon.

Sincerely,

Bill

Thank - your letter
was very helpful

GLORIA CABE
888 16TH STREET, NW
WASHINGTON, DC 20006

June 21, 1994

July
Rec'd 7/26

(I think she
meant 7/21)

Dear Mr. President:

You've governed well for a year and a half without my 2 cents worth and probably can continue to do so without this note. Furthermore I've satisfied my impulse to "help" many other times by composing a note and then doing the right thing by throwing it away. But this is one time I don't think that I will.

I can only begin to imagine your frustration. The single greatest frustration for me over the last several months has been the convergence of "things" which prohibit you from employing your greatest strengths. And it so happens, that those strengths are the strengths needed to break ideological gridlock, get things done and restore people's faith in what government can and should do.

As you know, I was at the NGA and heard your remarks in person and in context. And contrary to all the press flap in the aftermath, I was actually relieved at your remarks. It seemed to me that you had finally struck the right tone...exactly where you should have *begun* the debate. It seemed to me that you had finally found a way to establish a realistic bottom line, one that could actually be believed (I hear comments all the time about how even in Hawaii and Germany no one really reaches 100%, how the administration is naive, dishonest, crazy, all the usual adjectives, to continue to talk about 100%, and on and on). You had finally given a little guidance about where legislation requiring universal coverage could begin, with the goal of going *as high as possible* over a period of time.

The White House press and the members of Congress who serve on the key committees know a fair amount about the health care debate and the various components of the health care bills, but the rest of Congress is unbelievably uninformed about the debate. It was not only reasonable, but helpful for you to put universal coverage in perspective and explain what you meant. Then to say that in your (very informed) opinion, the only way to pay for universal coverage is with employer mandates, but that you are willing to support any method of financing that ensures that health care reform works for all Americans, set the tone for the right kind of discussion that would enable Americans and members of Congress to be brought along in the debate. It even gives you the space you may need to craft something different, the legislative process does work much of the time. This is the way the debate should have begun, instead of with 1300 pages of specifics.

But this is not a note about spilt milk. Come to think of it, I'm not sure what it's about. But I did know what you were trying to do, I do think it was the right thing, and I want you to know it.

I have to admit that given the press, partisan and recalcitrant members of Congress and a staff that doesn't really know you and how best to use your considerable strengths and abilities, it turns out we may both have been wrong. But I am also convinced that "their" way won't achieve what needs to be achieved in this country and get us on the right track. It makes me crazy! It is simply wrong that this convergence of "things" so inhibits the use of your skills and strengths which I believe happen to be the right ones for the times. It makes me want to simply crack a few heads to see if somehow in the process all the electrons might line up a little differently and this process of governing with this press in this town would change and make a little more sense. My cynical side fears that it's all such a game to most of these people, it simply is not about making the world work better for more of us. And my rational side knows that if things continue to work the way they have we'll continue to get the same results, and no one wants that.

It was good to see you Tuesday, even if for a moment. I think of you three often and wish for a much, much less frustrating and stressful time for all of you. I couldn't do what you do. It simply shouldn't be like this.

Fondly,

Gloria

Total Number of Rail Stations	2,679
Total Number of Key Rail Stations	708
Total Number of Station Extensions Requested	399
Total Number of Station Extensions Granted	284
Total Number of Station Extensions Denied	115

Cities Requesting Extensions

Chicago	
Cleveland	
San Francisco, CA	BART} 17 out of 37 denied
	Muni} 19 out of 20 denied
San Carlos, CA	6 out of 8 denied
Portland, OR	8 out of 8 denied
Washington, DC	45 out of 45 denied
Boston, MA	2 out of 13 denied
New Haven, CT	
New York City	All requests denied
Newark, NJ	
Pittsburgh, PA	
Glen Burnie, MD	
Baltimore, MD	
Philadelphia, PA	
Camden, NJ	1 out of 5 denied
Ft. Lauderdale, FL	3 out of 3 denied
Atlanta, GA	
18 Chesteron, IN	
Amtrak, Washington, DC	3 out of 8 denied

TO Sylvia
MATTHEWS

JDP

7/30/94

This was delivered
to me by the
USD guard who
said Lucy Cisneros
(I think she meant
Rina) dropped it
off. The Pres. has
not seen.

THE WHITE HOUSE
WASHINGTON

DATE: 7/30/94

THE VICE PRESIDENT

MACK MCLARTY

~~DAVID GERGEN~~

GEORGE STEPHANOPOULOS

TO: MARK GEARAN

ROBERT RUBIN

FROM: JOHN D. PODESTA

Assistant to the President and
Staff Secretary

The attached has been forwarded
to the President.



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

MEMBER

July 29, 1994 **94 JUL 29 P8:20**

MEMORANDUM FOR THE PRESIDENT

FROM: JOSEPH E. STIGLITZ *JS*

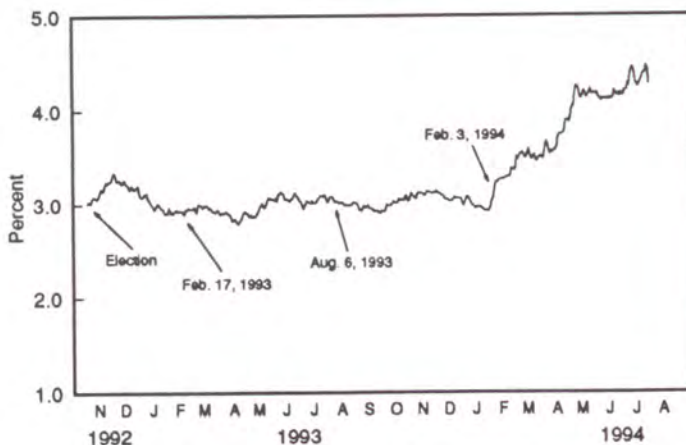
SUBJECT: Interest Rates and the Stock Market, Week Ending Friday, July 29, 1994

Interest rates fell sharply this week. Much of the decline came on Friday, following the release of GDP data that appears to indicate that economic growth is moderating. Changes in Treasury borrowing rates were as follows:

	Close 7/22/94	Close 7/29/94	Change
3-month bills	4.38	4.27	-0.11
10-year notes	7.29	7.12	-0.17
30-year bonds	7.56	7.39	-0.17

The stock market closed higher for the week. The broad-based S&P index closed Friday at 458.26, up 1.1 percent from the preceding Friday's close. The Dow Jones Industrial Average closed Friday at 3764.50, up 0.8 percent for the week.

Three-Month Rates



Thirty-Year Rates





MEMBER

EXECUTIVE OFFICE OF THE PRESIDENT

COUNCIL OF ECONOMIC ADVISERS

WASHINGTON, D.C. 20500

94 JUL 29 P 8 : 20

July 29, 1994

MEMORANDUM FOR THE PRESIDENT

FROM: JOSEPH E. STIGLITZ *JES*

SUBJECT: Foreign Economic Developments

Exchange Rates: Despite a rise against the Japanese yen that pushed the dollar above 100 ¥ on Thursday, the weighted-average dollar declined this week, reflecting a weakening vis a vis most European currencies.

Dollar's Value in terms of:	Week Ending 7/22/94	Week Ending 7/29/94	Change from previous:		
			Week	Quarter	Year
Deutschemark	\$1 = 1.5975 DM	\$1 = 1.5855 DM	-0.8%	-4.3%	-8.8%
Yen	\$1 = 98.80 ¥	\$1 = 99.95 ¥	+1.2%	-1.6%	-6.0%
Multilateral (3/73 = 100)	90.23	89.92	-0.3%	-2.6%	-5.9%

Japan: ► Industrial production rose a seasonally adjusted 2% in June from May, leaving the second quarter 0.8% above the first quarter level. June consumer prices dropped 0.4% from May, but were still 0.6% higher than a year ago. The unemployment rate was up marginally in June to 2.9% from the 2.8% registered in May.

EU: ► Western German consumer prices increased a provisional 0.1% in July and now stand 2.9% above levels recorded a year ago. Eastern German industrial output fell 0.2% in May relative to April, but was still 32.6% higher than its level a year ago. May factory orders in eastern Germany rose 17.3% relative to their level in May 1993.

► The July survey of purchasing managers in the **United Kingdom** recorded a strong increase to a seasonally-adjusted 62.2%, up from 61.3% in June. The survey measures purchasing managers' responses to questions about expectations concerning increases in industrial activity. A figure above 50% on the survey indicates a monthly rise in manufacturing production.

Other Countries: ► Canadian GDP at factor costs (excluding indirect taxes) was up a seasonally adjusted 0.3% in May and stands 4.1% above its level a year ago.

► **China** rejected conditions put forward by the United States attached to its joining of the General Agreement on Tariffs and Trade (GATT), terming them "unbalanced and unacceptable."

THE WHITE HOUSE

WASHINGTON

THE PRESIDENT HAS SEEN
7/25/94

July 22, 1994

94 JUL 22 A9:30

INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM:

ANTHONY LAKE

SUBJECT:

Meyer Report on Readiness

The final report of the Readiness Task Force, chaired by former Army Chief of Staff "Shy" Meyer, will be released by DoD on Friday morning. The Executive Summary of the report is at Tab A. The Task Force was commissioned by then-Secretary of Defense Les Aspin in May, 1993 to assist the SecDef in evaluating DoD's ability to keep our forces ready during the drawdown.

The Report gives more than 70 detailed recommendations to preserve and improve readiness. Its major findings include:

- The current readiness of our forces is acceptable in most measurable areas.
- DoD has recognized potential threats to readiness and has taken early steps to meet them.
- DoD has an extensive system to monitor the current readiness of units within each of the military services but no effective system to evaluate the readiness of today's force to carry out joint, multi-service operations.
- DoD has no effective system to project future readiness.
- DoD and Congress need formal publication by the White House of the National Security Strategy Report (NSSR) in order to determine the adequacy of the readiness of certain forces. You approved the NSSR on Monday and it was submitted to Congress yesterday.

Secretary Perry will endorse the Report's recommendations. In anticipation of them, Secretary Perry's Defense Planning Guidance (DPG) issued in May directed the military services to provide sufficient funds in their programs and budgets to ensure readiness. The DPG also included specific directions to follow up on 40 of anticipated Readiness Task Force recommendations, with subsequent actions taking care of most of the rest. Additional readiness initiatives undertaken by Defense are listed at Tab B.

In testimony to the Senate Appropriations Committee last week, Secretary Perry characterized readiness as follows: "My assessment at this point is that our current readiness is at a high level, and that is good news. The bad news is I see many trends which make me worry about readiness in the future." To

counteract these trends, your FY 1995 defense budget request includes a 5.6% increase in funding for O&M (a key readiness determinant) even though the force structure is declining next year by 7%. A major thrust of DoD's on-going review of FY 1996 programs and budgets is geared toward ensuring they are sufficient to maintain readiness.

Attachments

Tab A	Executive Summary of Report
Tab B	Additional DoD Readiness Initiatives

DEFENSE SCIENCE BOARD TASK FORCE ON READINESS

FINAL REPORT

EXECUTIVE SUMMARY

In the late 1970's and early 1980's we had "hollow" forces. Compared with today's troops, the service member who served during that period was, on average:

- less well educated;
- more involved with drugs;
- less well trained;
- less well equipped;
- less well sustained;
- less strategically mobile;
- and, less highly regarded by the population.

The armed forces then were not ready to meet most of the major contingencies called for by the National Security Strategy without a considerable period of warning time to permit our conventional forces to mobilize and equip themselves. Absent ready conventional forces, greater reliance was placed on nuclear deterrence; and, our nuclear forces were maintained at a higher state of readiness than most of our conventional forces.

The Readiness Task Force concludes that the readiness of today's conventional and unconventional forces by contrast is acceptable in most measurable areas. However, our group was asked to do more than merely assess the readiness of today's armed forces compared with those of two decades ago. We were charged with providing advice on how to avoid future unreadiness - future "hollow armed forces."

When we state that the readiness of today's forces is acceptable, that does not mean that we did not find "pockets" of unreadiness. Most of these "pockets" are a result of changes taking place in the armed forces and the turbulence created by these changes. However, we observed enough concerns that we are convinced that unless the Department of Defense and the Congress focus on readiness, the armed forces could slip back into a "hollow" status.

To prevent such back-sliding we believe that the following actions, some ongoing and planned, need to be supported:

1. Resources to access, train, educate, retain high quality personnel. Maintaining the quality of our people should continue to be the Department's top priority.
2. A system that adequately funds contingency operations. The Department should work with Congress in developing and institutionalizing a contingency funding system which adequately funds contingencies and does not divert, delay or disrupt the flow of funds needed to maintain readiness of forces not engaged in such operations.
3. Development of measurement systems that better equate readiness to resources - present and future. The Department should take actions to develop and improve the set of analytical models and other means that can be used to help better understand the relationship between funding allocation decisions and future force readiness.
4. Sustainment readiness addressed with efforts equal to those involved in assessing unit combat readiness. The Department should develop and implement procedures and practices to address sustainment readiness issues at the same level of detail and with the same emphasis normally used when addressing combat readiness. (To include rationalization of the role of Reserve Components and the criticality of strategic mobility.)
5. Increased emphasis on Joint and Combined readiness and requirements, including development of joint mission essential task lists. This is one of the actions the Department should pursue to provide greater emphasis on the joint forces perspective of readiness.
6. Development of an OSD C4I architecture and greater involvement by theater CINCs in the readiness of space assets that influence their combat capabilities. There is a need for rapid development and implementation of a joint C4I architecture and doctrine. It should include readiness of satellite components of the C4I system to ensure it can support joint contingency operations. The theater CINCs should be involved throughout the process.
7. Enhanced use of modeling and simulation. Modeling and simulation technology should be exploited to enhance joint and combined training and doctrine. It offers a tremendous opportunity to leverage our existing training at all levels through enhancement or even replacement where appropriate after thorough review.

8. Emphasize offensive and defensive measures relating to Weapons of Mass Destruction. Nuclear readiness requirements should be based on evolving nuclear policy guidance. The Department must ensure that U.S. forces are prepared to conduct operations (offensive and defensive) in a nuclear, biological, and/or chemical environment. That includes the conduct of national-level command and control exercises involving joint military and civilian leadership and their staffs to ensure the ability of military and civilian leadership to carry out their roles and provide confidence in the continued effectiveness of nuclear control and security means. Of the triad, the area that requires greatest attention is biological.

9. Continued refinement of the roles of SECDEF/CJCS/SVCS/CINCS in readiness matters. The environment and processes are changing. The Department should re-examine the readiness oversight and management roles of the Office of the Secretary of Defense, the Office of the Chairman of the Joint Chiefs of Staff, the Services, and the CINCs. In many areas of readiness, responsibilities are clear. However, in the case of resource allocations to support joint readiness, and planning for readiness to conduct joint operations, these responsibilities are less clear.

10. A system to ensure that BRAC 95 has top down guidance regarding ultimate basing, depots, etc., as well as a funding system to permit rapid write-off by the Defense Department of selected bases. Guidance should be applicable to all Services with a focus on expediting elimination of excess infrastructure.

11. Implementation of ongoing Defense Science Board proposals that have an impact on readiness - Acquisition, Depot Maintenance, Defense Manufacturing, and the special Study for the USD (P&R) on Training Readiness. These specific reports address issues and provide recommendations which directly impacts on readiness today and in the future.

12. We have a special concern about future readiness. The reduction of resources for acquisition raises serious questions about the capabilities of our forces to respond to the challenges of the 21st Century.

The above list does not include all of our recommendations. However, it highlights the areas that we believe will pay significant dividends in future readiness, and particularly in future joint and combined readiness.

There are several policy areas that will affect future readiness which need immediate clarification. The Department of Defense and the Congress need formal publication of a National Security Strategy from the White House that defines the administration's security policies in this changed world. We found it difficult to evaluate the adequacy of the readiness of certain forces when no specific National Security Policy

has been provided. The effect of this void is the inability to answer the question "to do what?" about certain elements of the armed forces. We used the defense strategy that served as a basis for the Defense Department's Bottom-Up Review to evaluate conventional force readiness. We did not attempt to evaluate the adequacy of those forces. Such evaluation needs to be done in conjunction with future simulated and real war games.

In addition, we concluded that the key indicators that measure readiness and provide early warning of potential readiness problems are strongest as they relate to a unit's current readiness within its Service and weakest as they address future and joint readiness.

It's well to remind those interested in military readiness that this matter has always been the near exclusive responsibility of the uniformed military - with the Services playing the dominant role. This process is changing. Now, the SECDEF, CJCS, and CINCs are all more involved in not only evaluating, but resourcing, joint and combined readiness. This Task Force has had unprecedented freedom to review readiness matters. Secretaries Aspin and Perry, General Shalikasvili, and the leadership of the individual Services have been most supportive in this area.

The nation celebrated the 50th Anniversary of D-Day during the preparation of this report. It is well to remember that five years before D-Day the United States had very hollow forces. Many servicemen died as a result of our unreadiness. Readiness can not be taken for granted. History has shown how "pockets" of unreadiness rapidly grow and create "hollow" forces. We believe that attention to the issues raised in this report, and the continued support of Congress for a ready responsive force will give us a chance to prevent the shortcomings of the past from happening again as the military force evolves in response to the demands of our unsettled world.

Additional DoD Readiness Initiatives

In addition to creating the Meyer Task Force, increasing O&M budgets and including readiness reporting requirements in the DPG, the Department of Defense has undertaken other initiatives to ensure readiness remains the top priority in DoD, including:

- Created the Senior Readiness Oversight Council (SROC). This council, chaired by the Deputy Secretary of Defense, and co-chaired by the Vice Chairman of the Joint Chiefs of Staff, is the senior-level DoD forum for readiness policy and oversight.
- Created the Readiness Working Group. This group, co-chaired by the Deputy Under Secretary of Defense for Readiness and the Joint Staff Director for Operations (J-3), provides the primary support for the Senior Readiness Oversight Council.
- Established the position of Under Secretary of Defense for Personnel and Readiness. The Office of the Assistant Secretary of Defense for Force Management and Personnel was reorganized and renamed, and then elevated to Under Secretary status.
- Established the position of Deputy Under Secretary of Defense for Readiness. This new position in the Office of the Under Secretary of Defense for Personnel and Readiness is the focal point on the OSD staff for readiness issues and, as previously noted, co-chairman of the Readiness Working Group.
- Increased Service focus on unit readiness monitoring capabilities.
- Conducted readiness off-site meetings (three days of meetings chaired by the Deputy Secretary of Defense), which resulted in plans to develop analytical tools that relate resources to readiness.
- The Chairman, JCS, has taken the initiative and responsibility for assessing readiness of U.S. forces to execute assigned missions.
- The Vice Chairman, JCS, has expanded the focus of the Joint Requirements Oversight Council (JROC) beyond its normal acquisition review function to include readiness issues. The JROC is comprised of the Vice Chairman and Service Vice Chiefs.
- The Vice Chairman, JCS, also initiated the Joint Warfighting Capability Assessment (JWCA) process, which will assess readiness operationally and programmatically, current and future, with a focus on mission accomplishment.

THE WHITE HOUSE
WASHINGTON

94 JUL 29 A 9:51

July 27, 1994

MEMORANDUM TO

ASSISTANTS TO THE PRESIDENT, SANDY
BERGER, SECRETARY RON BROWN, LLOYD
CUTLER, BO CUTTER, DAVID GERGEN,
BRUCE LINDSEY, MACK McLARTY, ALICE
RIVLIN, GEORGE STEPHANOPOULOS, AND
OMB "PADs"

FROM: Philip Lader

RE: BASE REALIGNMENT AND CLOSURE COMMISSION
NOMINATIONS

Finalizing a list of potential BRAC nominees for Leon's
consideration, I would appreciate any further suggestions,
nominations, or comments at your earliest convenience.

Many thanks!

Phil

cc: Leon Panetta
Secretary Perry
Deputy Secretary Deutch

Phil

Former

Senator John Culver

*Former Maine
Senate Armed Services
Brilliant*

Foderster

THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS SEEN
7/28/94

July 28, 1994

94 JUL 28 P2:59

MEMORANDUM FOR THE PRESIDENT

FROM: LLOYD N. CUTLER
SPECIAL COUNSEL TO THE PRESIDENT

CHERYL MILLS *Cor*
ASSOCIATE COUNSEL TO THE PRESIDENT

SUBJECT: Denial of Requests for Commutation of Sentence

We have received the Deputy Attorney General's recommendations against commuting the sentences and/or remitting the fines of the petitioners identified below. After a review of the Pardon Attorney's memoranda regarding these cases, we have concluded that denial of commutation is appropriate in each case.

We will transmit your denial of petitioner's requests for commutation and/or remission of fines in the following 31 cases on August 22, 1994, unless you reach an earlier decision or indicate that you would like further information on any of the cases listed.

Julie Al-Aidi
(aka Julie Harfenist)
Mark Brown
Gustavo Camacho Carbono
Bryant Fitzgerald Crosson
Frank Allen Dowling, Jr.

Florida

Oklahoma
Puerto Rico
North Carolina
Maryland

Patricia A. Hajjar
La Starza M. Heard
Charles P. Herendeen
Mari E. Higgins
Harry Joseph Himler, Jr.

Massachusetts
Wisconsin
Florida
Florida
Pennsylvania

Douglas Allin Hoch
Pamela Sue Hollis
Roger Holmes
Daniel Kent Hummel
Eugene Thomas King

Florida
Oklahoma
Iowa
Pennsylvania
Georgia

Jerry Ray Lemons
Andres Fontes-Lopez
Manuel Loera-Tellez
Edward Woodard McCrary, III
Hector Molina

Colorado
Arizona
Oregon
Louisiana
California

Richard G. Montenero
Kenneth Parmalee
Israel Pena-Garza
Joseph A. Pingaro, Jr.
Peter Joseph Romero

Twynette Laryssa Ross
Julian Roger Sanchez
Michael Lewis Shipley
Franz Valasco-Quinones
John T. Walrdon

Tommy Lee Whitley

New York
Florida
Texas
Massachusetts
Texas

Alabama
Colorado
Ohio
Florida
Florida

North Carolina

DECISION:

☒ Approve

☐ Disapprove

☐ More Information

THE WHITE HOUSE
WASHINGTON

THE WHITE HOUSE

7/28/94

July 29, 1994

94 JUL 28 P2:59

MEMORANDUM FOR THE PRESIDENT

FROM: LLOYD N. CUTLER
SPECIAL COUNSEL TO THE PRESIDENT

CHERYL MILLS
ASSOCIATE COUNSEL TO THE PRESIDENT

SUBJECT: Denial of Pardon Requests

We have received the Deputy Attorney General's recommendations against pardons after completion of sentence for the petitioners identified below. After a review of the Pardon Attorney's memoranda summarizing the circumstances in each case, we have concluded that denial of each pardon petition is appropriate.

We will transmit your denial of petitioners' requests for pardon in the following 21 cases on August 22, 1994, unless you reach an earlier decision of indicate that you would like further information on any of the cases listed.

Santo Patrick D'Eredita, Jr.
Joseph Gerald Dezzutti
Carl Jay Estersohn
Donald Edward Fadely
William Robert Fowler, Jr.

Army Court Martial
Virginia
California
Alabama
Illinois

Alan Martin Gardner
James Kent Gibson
Donald Gene Goodwin
Robert Milton Gossett
Gerald Alan Heath

Navy Court Martial
Arkansas
California
Idaho
Missouri

Karl Pierre Knutson
Michael Keith Roxborough
Werner Dale Schaller
Jerry Pete Sellers
Gloria Thomas Sheffield

Texas
Nevada
California
Alabama
Ohio

John Henry Shotter
Christopher Alan Smith
Orville Eugene Spicer
Larry Lowell Ticknor
Donald William Warden

Edward Carlton Wilton, Jr.

Marine Court Martial
Ohio
Marine Court Martial
South Dakota
Illinois

Virginia

DECISION:

☒ Approve

☐ Disapprove

☐ More Information

THE WHITE HOUSE
WASHINGTON

July 28, 1994

THE PRESIDENT HAS SEEN

7/28/94

94 JUL 28 P2:59

MEMORANDUM FOR THE PRESIDENT

FROM: LLOYD N. CUTLER
SPECIAL COUNSEL TO THE PRESIDENT

CHERYL MILLS 
ASSOCIATE COUNSEL TO THE PRESIDENT

SUBJECT: Denial of Pardon Requests

We have received the Deputy Attorney General's recommendations against pardons for the petitioners identified below. After a review of the Pardon Attorney's memoranda summarizing the circumstances in each case, we have concluded that denial of each pardon application is appropriate.

We will transmit your denial of petitioners' requests for pardon in the following 22 cases on August 22, 1994, unless you reach an earlier decision or indicate that you would like further information on any of the cases listed.

Donald Lee Asa
Raymond Thomas Beiro
Lance Marc Chernack
Bob Cox, Jr.
Susan Mary Devine

Donna Ruth Dotson Eudy
Albert Joseph Falk
Ralph Eugene Garritano
William Thomas Kent
Anthony N. Manzo

Sara Jean Mosley
Lloyd William Riley, Jr.
James Lawrence Swisher
William Paul Thayer
George Oliver Davis

Hubert Kermit Elrod
Paul Frederick Gervais
Charles Curtis Smith
Leigh Allen Taylor
Gail Gar Lyai Li

Arizona
Virginia
Massachusetts
Alabama
Oklahoma

Texas
Illinois
New Jersey
Texas
Kansas

Georgia
Texas
North Carolina
District of Columbia
Oklahoma

Texas
Connecticut
Texas
Arkansas
Hawaii

- 2 -

Donald Francis Rust
Murdock Head

Wisconsin
Virginia

DECISION:

☒] Approve

☐] Disapprove

☐] More Information

THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS SEEN

7/28/94

July 29, 1994

94 JUL 28 P2:59

MEMORANDUM FOR THE PRESIDENT

FROM: LLOYD N. CUTLER
SPECIAL COUNSEL TO THE PRESIDENT

CHERYL MILLS
ASSOCIATE COUNSEL TO THE PRESIDENT

SUBJECT: Denial of Requests for Commutation of Sentence

We have received the Deputy Attorney General's recommendations against commuting the sentences and/or remitting the fines of the petitioners identified below. After a review of the Pardon Attorney's memoranda summarizing the circumstances in each case, we have concluded that denial of commutation and/or remission is appropriate.

We will transmit your denial of the petitioners' requests in the following 21 cases on August 22, 1994, unless you reach an earlier decision or indicate that you would like further information on any of the cases listed.

Dora Fridman
Carlos Ricardo Hill, Sr.

George Nicholas Meros
Eugene A. Million, V
Frank Arnold Nesbitt

Derwin Mario Williams
Ronald Craig Wolf
John Marvin McBride
Frank Cerniglia
Gladys Piedrahita

Melissa Jones Price
Bobby Joe Sampson
Alex Tokarevich
Pete Alex
Phillip Baker

New York
District of Columbia
and Maryland
Florida
Maine
Virginia

North Carolina
Texas
Texas
New York
New York

Louisiana
Tennessee
Ohio
Ohio
California

Scarlett Cortez
Henry Wrayburn Eaves
Joe Dee Hicks
Joseph Johnson
Eugene Chavers Kirk

Dennis Chan Lai

Florida
Virginia
Texas
Georgia
Missouri

California

DECISION:

☒ Approve ☐ Disapprove ☐ More Information

THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS SEEN

7/28/94

July 25, 1994

MEMORANDUM FOR THE PRESIDENT

FROM: MACK McLARTY

SUBJECT: SUMMARY OF VARIOUS ITEMS ATTACHED

- 1 hour*
- ✓ Note requesting information on your visit with Senator Howell Heflin regarding Wednesday Prayer Breakfast.
 - Note requesting that we meet to discuss Summit of the Americas (attached to July 14 memo re same). At this point, it is not well positioned, and I have some definite thoughts about what we need to do.
 - Note requesting that we discuss Doug Jehl article (attached), "White House Delays Rebuke In Copter Case."
 - Note attaching Anthony Lewis' "Where Power Lies" piece.
 - Copy of my letter to Richard Fisher, candidate for Senate from Texas, commenting on his fundraiser.
 - Copies of my exchange of notes with Keith Mason thanking him for his assistance with fundraiser for Zell Miller.
 - Copy of Mark Gearan's update on handling of press-related matters for the G-7 trip.
 - Note attaching article entitled, "Nice Guys Finish First?" from Time, July 25, 1994.
 - Note concerning article given you by Senator Wendell Ford; would like to discuss.
 - Update on support of Jay Bradford.
 - Articles sent by Erskine Bowles; examples of SBA support of health care reform.
 - Note from daughter of Samuel Wood, Sr., who served with my father in World War II.

1 with Gearan would like to meet to discuss, TV coverage of it who might do something up it -

94 & 95
7/28/94
THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS SEEN

7/28/94

7/28/94
JULY 28, 1994

RECOMMENDED TELEPHONE CALL

TO: Senator Robert C. Byrd
DATE: July 28, 1994
RECOMMENDED BY: Patrick J. Griffin

PURPOSE:

Discuss our intent to request emergency supplemental funding of \$320 million to support U.S. relief efforts in Rwanda. **He is expecting this call and it is both a request and an expression of your gratitude for his leadership in guiding this supplemental through Congress expeditiously.**

BACKGROUND:

Chairman Byrd has already indicated his willingness to include this emergency appropriation in the DOD appropriations bill that his Committee is marking up tomorrow, but has not signed off on a specific amount. He has been anxious to hear from the administration, but there has been a delay in getting back to him because the size of this supplemental is larger than had been estimated and OMB has been scrubbing the numbers over the past 48 hours. There is also some potential sensitivity with Chairman Obey that had to be dealt with. (Obey wants to pay for it with recisions).

TOPICS OF DISCUSSION:

1. This amount is higher than the preliminary \$100 million estimate. The DOD is incurring unplanned costs in support of the Rwanda relief efforts. These include airlift, logistics support, water support, and airport services.
2. The Administration is requesting an emergency supplemental of \$270 million to cover the most urgent of these requirements. Of this amount, \$100 million will be available only if the President determines at a later date that it is still required. Funds of \$50 million are also needed for two foreign assistance programs which cover requirements that go beyond the DOD effort.
3. This humanitarian assistance will provide for food, water, shelter, and medical aid to the approximately 2 million Rwandan refugees in Zaire and over 1 million displaced persons inside Rwanda.

CONTACT PERSON AND
TELEPHONE NUMBER(S): White House operator

DATE OF SUBMISSION: July 28, 1994

ACTION: _____

THE WHITE HOUSE

THE PRESIDENT HAS SEEN

7/28/94

Mr. President,

u

Rec'd after you

94 JUL 22 All: 20

a similar letter to you. Touching
to say the least.

u

u

36.
Mrs. Joseph Francis Hlavay

Mr. McHarty,

If your father or uncle was in the 96th Infantry Division during World War II - from Arkansas - on Leyte and/or Okinawa, I hope you will commemorate that participation at the "96th Inf. Div. ASSN.'s 37th Annual Reunion at Hot Springs National Park, Arkansas July 26-30, 1994 -

My father, Samuel Sidney Wood, Sr.
(LT. Col. USA, Retired) remembers a McHarty,

fondly - My parents live in Spartanburg,
South Carolina -

Congratulations on your new
appointment -

Thank you for your time.

Sincerely,

Sally Wood Hlavay
(Mrs. Joseph F.)

94 Willow Park Green S.E.
Calgary, Alberta

T2J 3L1

CANADA

1-403-271-2766

July 10, 1994

July 28, 1994

THE PRESIDENT HAS SEEN

7/28/94

MEMORANDUM

To: The President
From: Kelly Crawford
Re: Misc. Information

~~FYI~~ Only. Kathy Baczko did not come in town for Tim Chorba's swearing in because she recently found out her mother has bone cancer. We will have Trey do a letter.

cc: Trey

~~FYI~~ Only. Richard Helms called to congratulate you on events you hosted with King Hussein and Prime Minister Rabin. He has worked in the Middle East and thinks all of this is remarkable and was very pleased.

→ Trey
Kathy calling
w/ her address in
Lewiston -
I should drop note
of thanks to her
H. she a coz
of my friend
Dorinda

THE WHITE HOUSE
WASHINGTON

7/28/94

July 27, 1994

Attached memo given to Carol Rasco.
immediately

Carol is/sending a copy to the

General Counsels at the White House and

HHS asking them to confer.

Lloyd Cutler
This is his interpretation
of the
is again.



OFFICE OF THE GOVERNOR

State Capital
Little Rock 72201

Jim Guy Tucker
Governor

1/27
Ce
Losee

FAX TRANSMITTAL
FAX NUMBER 501/682-1382
OFFICE NUMBER 501/682-2345

THE PRESIDENT HAS BEEN
7/28/94

DATE: July 27, 1994

TO: The Honorable Bill Clinton
President of the United States

FROM: Jim Guy Tucker
Governor

ATTENTION: Betty Curry
FAX #: 202-456-6703

We are sending a 4 -page transmission (including this page).
If you do not receive all pages, please call Juaniece Ammons
at 501/682-2345.

**STATE OF ARKANSAS
OFFICE OF THE GOVERNOR***State Capitol
Little Rock 72201***Jim Guy Tucker**
Governor

VIA FACSIMILE: 202-456-6703

M E M O R A N D U M

TO: The Honorable Bill Clinton
President of the United States

FROM: Jim Guy Tucker *JGT*
Governor of Arkansas

DATE: July 27, 1994

RE: Medicaid Coverage For Abortions When Pregnancy Resulted
From Rape Or Incest

As you recall, in 1988 the people of Arkansas adopted Amendment 68 to the Arkansas Constitution. That Amendment explicitly provides: "No public funds will be used to pay for any abortion, except to save the mother's life."

Since 1976 Congress has enacted a "Hyde Amendment" as part of an annual appropriation bill for the Department of Health and Human Services. At the time Arkansas Amendment 68 was adopted, the Hyde Amendment in effect provided that federal funding of abortions was limited to cases where the life of the mother would be threatened by carrying the pregnancy to term. Therefore, Arkansas Amendment 68 at the time of its enactment, merely limited Arkansas funding of abortions in the same way that the Hyde Amendment limited federal funding.

The 1994 Hyde Amendment, Pub. L. No. 103-112, Sec. 509, signed on October 21, 1993, extends federal Medicaid coverage for abortions to cases where "the pregnancy is the result of an act of rape or incest." Judicial decisions are in accord that a state's Medicaid funding program may not be more restrictive than the Hyde Amendment.

Most states' Medicaid program is established either by administrative regulation or by statute. In those states, amendment to conform to the current Hyde Amendment presents no problem. However, the people of Arkansas (and at least one other state) have adopted state constitutional amendments which may not be amended except by vote of the people. The earliest that the people of Arkansas could possibly amend the state constitution to conform to the current Hyde Amendment is November, 1996.

Arkansas has continued to follow its constitutional provision, funding abortions only when necessary to "save the mother's life."

July 27, 1994
Page 2

A lawsuit was filed by abortion providers. The United States District Court, on Monday, July 25, 1994, enjoined "the enforcement of Amendment 68 in its entirety" and also enjoined "the enforcement of provisions of the Arkansas state plan relating to abortion funding that are inconsistent with the 1994 Hyde Amendment for so long as Arkansas accepts federal money under the Medicaid Act." A copy of the relevant portion of the order is attached.

I have conferred with the Arkansas Attorney General, who has informed me that I cannot simultaneously comply with both the Hyde Amendment and Arkansas Constitution Amendment 68. Under the terms of the federal court order, Arkansas may enforce its constitutional provision, adopted by vote of the people, by dropping out of the Medicaid program -- an action that would have devastating effects on the citizens of this state.

The Congress can and should remedy this problem by immediately attaching an amendment to some bill to provide that provisions of the Hyde Amendment that expand Medicaid coverage requirements do not apply to states with constitutional provisions more restrictive than the Hyde Amendment until such time as those states have had the opportunity to amend their constitutions.

I have spoken with Senators Bumpers and Pryor about this urgent problem. I and the people of Arkansas will deeply appreciate any assistance you can give us to remedy this unjust, impossible dilemma in which we have been placed.

those to whom the injunction is directed; in Klein, the Court stated that "Although the degree of particularity required of an injunction depends on the subject matter involved,... we agree with Parfums [that a section of the Order granting injunctive relief] requires Parfums to guess at what kind of conduct" is prohibited. Klein, at 669. There is no issue of confusion regarding what defendants must do or refrain from doing in the instant case: this Court enjoins the enforcement of Amendment 68 in its entirety and it enjoins the enforcement of provisions of the Arkansas state plan relating to abortion funding that are inconsistent with the 1994 Hyde Amendment for so long as Arkansas accepts federal money under the Medicaid Act. Plaintiffs have no adequate remedy at law. Monetary damages are inadequate and incapable of redressing the deprivation of rights wrought by Amendment 68. *

CONCLUSION

Arkansas Amendment 68 is inconsistent with the 1994 Hyde Amendment and therefore violates the Supremacy Clause. The Arkansas state plan insofar as it is inconsistent with the Hyde Amendment also violates the Supremacy Clause. The enforcement of Amendment 68 is hereby enjoined in its entirety for so long as the State of Arkansas accepts federal funds pursuant to the Medicaid Act. Likewise, the provisions of the Arkansas state plan that relate to abortion funding and are inconsistent with the Hyde Amendment are enjoined. Plaintiffs' motion for summary judgment is granted.

It is so ordered this 25th day of July, 1994.

W. F. Z.
UNITED STATES DISTRICT JUDGE

THE PRESIDENT HAS SEEN



7/28/94

7/28

cc: Tony

JIMMY CARTER

July 26, 1994

✓
To President Bill Clinton

President Kim Jong Il of North Korea has given me his personal assurance that the commitments made by Kim Il Sung will be honored. At Kim Jong Il's invitation we are contemplating a return visit "at the earliest mutually convenient date."

I will of course keep you informed. With warm best wishes,

Sincerely,

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

THE WHITE HOUSE
WASHINGTON

DATE: 7/28/94

TO: Leon, George, Pat, Mark, Dave G.

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

The attached has been forwarded
to the President.



THE DIRECTOR

010184

Estimate No. _____
103rd Congress, 2nd Session

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

The President

The White House

Submitted for your consideration are requests for emergency FY 1994 supplemental appropriations that would provide funds to assist in the urgent humanitarian relief efforts for refugees of hostilities in Rwanda. The requested funds, totaling \$320 million, are necessary at this time due to the emergency situation that has arisen from the sudden influx of refugees into areas bordering Rwanda.

The supplemental appropriations requested are as follows:

- o For the Department of Defense, \$270 million, which would be used to: (1) establish and operate airport services at Goma, Zaire, and at least one additional location; (2) establish and operate an air distribution facility in Uganda, or another suitable location, for the collection, storage, and forward movement of relief supplies; (3) provide safe water; (4) deploy and sustain approximately 4,000 United States troops; and (5) provide other associated logistical support. Of the \$270 million requested, \$100 million would be available only upon the President transmitting a budget request to the Congress and designating the entire amount requested as an emergency requirement.
- o For the Department of State, \$30 million, which would enable the United States to respond to urgent appeals from the United Nations High Commissioner for Refugees (UNHCR) and the International Committee of the Red Cross (ICRC), as well as to fund private voluntary organization (PVO) humanitarian efforts in the region.
- o For the Agency for International Development, \$20 million, which would be used to: (1) provide medicine and support medical teams; (2) procure local foodstuffs; and (3) safely bury refugees who have died of cholera in order to diminish the spread of disease.

I recommend that you designate \$170,000,000 of the request for the Department of Defense and the entire requests for the Department of State and the Agency for International Development as emergency funding requirements in accordance with section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

I have carefully reviewed these proposals and am satisfied that they are necessary at this time. Therefore, I join the Secretaries of Defense and State and the Administrator of the Agency for International Development in recommending that these proposals be transmitted to the Congress. We will continue to monitor the need for emergency funds, and if additional resource requirements are identified, we will forward our recommendation to you at that time.

Sincerely,

Alice M. Rivlin
Acting Director

Enclosure

THE WHITE HOUSE
WASHINGTON

The President
of the Senate

Sir:

I ask Congress to consider expeditiously the enclosed requests for emergency FY 1994 supplemental appropriations for the Departments of Defense and State and the Agency for International Development. The requests, which total \$320,000,000, would provide funds to assist in urgent humanitarian relief efforts for refugees of hostilities in Rwanda.

I hereby designate \$170,000,000 of the amount requested for the Department of Defense and the entire amounts requested for the Department of State and the Agency for International Development as emergency requirements pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

The details of these requests are set forth in the enclosed letter from the Acting Director of the Office of Management and Budget. I concur with her comments and observations.

Sincerely,

Enclosure

FY 1994 EMERGENCY SUPPLEMENTAL APPROPRIATIONS REQUEST

DEPARTMENT OF DEFENSE

MANAGEMENT FUNDS

Emergency Response Fund

For an additional amount for "Emergency Response Fund," \$270,000,000: Provided, That these funds may be used to reimburse appropriations of the Department of Defense for costs incurred for emergency relief for Rwanda: Provided further, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended; of this amount, \$100,000,000 shall be available only to the extent an official budget request for a specific dollar amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

This supplemental request would provide funds to assist in humanitarian relief efforts for refugees of hostilities in Rwanda. The sudden influx of refugees into Goma, Zaire, surrounding areas, and other locations bordering Rwanda has caused an emergency that requires immediate response. The Department of Defense (DOD) will assist the international community, under the overall coordination of the United Nations, in coping with this human disaster. Emergency appropriations are required for humanitarian assistance and logistics support to:

- o Establish and operate airport services at Goma and at least one additional location;
- o Provide fuel, logistics support, and maintenance of vehicles and equipment for distribution of water, food supplies, and medical items;
- o Establish and operate an air distribution facility in Uganda, or another suitable location, for the collection, storage, and forward movement of relief supplies;
- o Transport supplies and equipment;

- o Provide safe water; and
- o Deploy and sustain approximately 4,000 U.S. troops.

Of the \$270 million requested, \$170 million has been designated by the President as an emergency requirement pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

FY 1994 EMERGENCY SUPPLEMENTAL APPROPRIATIONS REQUEST

DEPARTMENT OF STATE

OTHER

United States Emergency Refugee and Migration Assistance Fund

For an additional amount for "United States Emergency Refugee and Migration Assistance Fund," \$30,000,000: Provided, That such funds may be made available to respond to the current Rwandan refugee crisis if the President determines that it is in the national interest to do so: Provided further, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

This supplemental request would provide funds for emergency humanitarian assistance for millions of Rwandan refugees and displaced persons, including the provision of food, water, shelter, and medical services, and for other purposes. The request will enable the United States to respond to urgent appeals from the United Nations High Commissioner for Refugees (UNHCR) and the International Committee of the Red Cross (ICRC) and would also fund private voluntary organization (PVO) humanitarian efforts in the region.

The entire amount requested has been designated by the President as an emergency requirement pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

FY 1994 EMERGENCY SUPPLEMENTAL APPROPRIATIONS REQUEST

FUNDS APPROPRIATED TO THE PRESIDENT

AGENCY FOR INTERNATIONAL DEVELOPMENT

International Disaster Assistance

For an additional amount for "International Disaster Assistance," \$20,000,000, to remain available until expended, for international disaster relief, rehabilitation, and reconstruction assistance pursuant to section 491 of the Foreign Assistance Act of 1961, as amended: Provided, That funds appropriated under this heading may be made available notwithstanding section 10 of Public Law 91-672: Provided further, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

This supplemental request would provide funds to assist in humanitarian relief efforts for refugees of hostilities in Rwanda. The sudden influx of refugees into Goma, Zaire, surrounding areas, and other locations bordering Rwanda has caused an emergency that requires immediate response. Emergency appropriations are required for humanitarian relief assistance to:

- o Provide medicine and support medical teams;
- o Procure local foodstuffs; and
- o Safely bury refugees who have died of cholera in order to diminish the spread of disease.

The entire amount requested has been designated by the President as an emergency requirement pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

PRESS RELEASE

The President today transmitted to the Congress requests for emergency FY 1994 appropriations that would provide funds to assist in the humanitarian relief efforts for refugees of hostilities in Rwanda. The requested funds, totaling \$320 million, are urgently needed at this time due to the emergency situation that has arisen from the sudden influx of refugees into areas bordering Rwanda.

The funds -- \$270 million for the Department of Defense, \$30 million for the Department of State, and \$20 million for the Agency for International Development -- would assist the international community in coping with this human disaster.

Emergency funds provided to the Department of Defense would be used to:

- o Establish and operate airport services at Goma, Zaire, and at least one additional location;
- o Provide fuel, logistics support, and maintenance of vehicles and equipment for distribution of water, food supplies, and medical items;
- o Establish and operate an air distribution facility in Uganda, or another suitable location, for the collection, storage, and forward movement of relief supplies;
- o Transport supplies and equipment;
- o Provide safe water; and
- o Deploy and sustain approximately 4,000 U.S. troops.

Of the \$270 million requested for the Department of Defense, \$100 million would be available only upon the President transmitting a budget request to the Congress and designating the entire amount requested as an emergency requirement.

Emergency funds provided to the Department of State would enable the United States to respond to urgent appeals from the United Nations High Commissioner for Refugees (UNHCR) and the International Committee of the Red Cross (ICRC), as well as to fund private voluntary organization (PVO) humanitarian efforts in the region.

Emergency funds provided to the Agency for International Development would be used to:

- o Provide medicine and support medical teams;

- o Procure local foodstuffs; and
- o Safely bury refugees who have died of cholera in order to diminish the spread of disease.

Chris
THE "THE PRESIDENT" HAS SEEN
7/28/94

THE WHITE HOUSE
WASHINGTON
July 27, 1994

94 JUL 27 P3:52

MEMORANDUM FOR THE ~~P~~RESIDENT

FROM:

SUSAN BROPHY *SB*

SUBJECT:

LETTERS FROM MEMBERS OF CONGRESS

Attached are letters from members that I thought you would like to see.

- 1) Dick Swett (D-NH),
- 1) Bob Walker (R-PA),
- 1) Harris Wofford (D-PA),
- 4) Ed Pastor (D-AZ).

*-Copy should be sent
to Leon Ke:
appt request.*

LC: POK



*Congress of the United States
House of Representatives
Washington, D. C. 20515*

*Dick Swett
New Hampshire*

July 22, 1994

President William J. Clinton
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear President Clinton,

Just a personal note of deep appreciation for the invaluable help you have given New Hampshire and the working men and women of Raytheon with your successful intervention with Brazil on our behalf. I am most appreciative of your prompt and effective response to my personal request. I and the citizens of New Hampshire look forward with great pleasure to your next visit to New Hampshire so that the folks at Raytheon and I may express our gratitude to you.

With warmest regards,

Dick Swett
Member of Congress

Thank so much for helping to get this contract through!



HOUSE OF REPRESENTATIVES
WASHINGTON, D. C.

ROBERT S. WALKER
16TH DISTRICT, PENNSYLVANIA

CHIEF DEPUTY
REPUBLICAN WHIP

July 21, 1954

~~Dear~~ Mr. President,

Thank you for the
accolade regarding space
station yesterday. The
25th Anniversary ceremony
was impressive, and I was
pleased to be invited.

Cordially,
Bob



HOUSE OF REPRESENTATIVES
WASHINGTON, D. C. 20515

ED PASTOR
SECOND DISTRICT
ARIZONA

July 22, 1994

Mr. William J. Clinton
Office of the President
The White House
1600 Pennsylvania Ave., NW
Washington, D.C. 20500

Dear Mr. President:

I just learned of your decision to award Cesar Chavez the Presidential Medal of Freedom.

Many from the ranks of organized labor and the civil rights community joined me in supporting this nomination and you are to be commended for recognizing Cesar Chavez' contributions to the cause of civil justice. He was not only a friend, but a role model and advocate for millions of Hispanic Americans. The Presidential Medal of Freedom, the highest award that can be bestowed upon a citizen by the government of the United States, is a fitting tribute to a man who dedicated his life to the fight for human dignity and racial equality.

I believe that millions of Americans share my deep gratitude to this great man, and appreciate your official recognition of the contributions that Cesar Chavez made to this country.

Sincerely,

Ed Pastor
Member of Congress

EP/la

HARRIS WOFFORD
PENNSYLVANIA



UNITED STATES SENATE
WASHINGTON, D. C.

July 22, '94

Dear Mr. President,

Thanks for the Pennsylvania
day! Thank God George Mitchell
let us out in time at least to
catch up with you in Philadelphia.

The enclosed letter to
Mitchell may be of interest.

Faithfully & warmly,
As ever,
Hiram

I've asked Leon to try to
arrange a short meeting with you soon.

United States Senate

WASHINGTON, DC 20510-3803

July 22, 1994

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

Dear George,

I am encouraged by the results of your meeting with the President last night. As I have been urging for many months, we must move away from a debate over the "Clinton bill." The direction you indicated is just right: toward a less bureaucratic, less governmental approach, while preserving the central goal of guaranteeing affordable, private health insurance for all Americans. It is precisely what I have been working to achieve.

In that spirit, let me make several points of strategy and offer some specific suggestions about provisions to be included in the bill.

First, universal coverage, of course, must be our goal -- the prize on which we keep our eyes. The Mitchell bill must chart a way to get there. In doing so, let's break out of the statistical definitions and reject the misleading debate over whether "universal coverage" means 91 or 95 or 98 percent. Instead, let's put forth real tests for universal coverage that have a practical, personal meaning to people: If you have a job, you have health insurance; if you change jobs, you have health insurance; if you lose your job, you have health insurance; if you leave welfare for a job, you have health insurance; and if you retire from a job, you still have health insurance.

Those are the actual gaps into which more and more middle-class families are falling. Those are the gaps we have to fill. Your bill should demonstrate that reform is designed above all for the health security of middle-class, working families, the citizens who are most likely to already be uninsured today, the people at greatest risk of losing the coverage they do have. The poorest have Medicaid. The wealthy can afford their own coverage. Health care reform must protect middle-class families who are in danger of losing coverage under the current system.

Second, as a main theme and guiding principle, let's make it clear that the new Mitchell bill builds on and makes more secure our existing private, employer-based health care system, and is not government-run health care. I've found that the best-kept secret about the current status of health reform is that, beginning with the Labor Committee markup and through the Finance Committee markup, we've already removed from the President's original proposal the mandatory, governmental health alliances that concerned many people -- including me.

who has had to impoverish themselves in order to pay for expensive nursing homes or qualify for long-term care benefits under Medicaid.

The Labor Committee bill includes the Life Care Act (S. 1833) that I introduced with Senator Kennedy, establishing a voluntary, self-financing insurance system that will allow older people to protect a portion of their life savings and pay for long-term nursing home care. Congressional Budget Office analyses show that such a program can be self-financing and premiums can be kept affordable.

A related provision of the Labor Committee bill establishes for the first time consumer-protection standards for private long-term care insurance policies, based on legislation (S. 203) that Senator Kennedy and I introduced last year.

► Privacy and Administrative Simplification -- The Labor Committee bill also made enormous improvements over the original Health Security Act in the areas of administrative simplification and privacy protections. The President's bill proposed a new network of federal data collection centers to gather and analyze health information. The Labor Committee adopted an amendment that I proposed, based on a bill that Senators Bond and Riegle had introduced (S. 1494), to base the information systems in the private sector. Rather than duplicating what is taking place in the private sector and replacing it with a government-run apparatus, the Labor Committee bill now uses the existing private system with simple federal standards. In addition to its advantages in building on what already exists, this amendment can save the federal government billions of dollars because we will not create new, unnecessary federal data centers. Notably, the Finance Committee adopted a similar provision that I support.

The Labor Committee bill also dramatically improves the protections for individual privacy. The President's bill created a commission and gave it three years to recommend legislation to protect the privacy of health information. The Labor Committee adopted strict and sensible privacy standards, based on legislation that Senator Leahy originally proposed (S. 2129). These standards, which have strong bipartisan support, would be effective immediately.

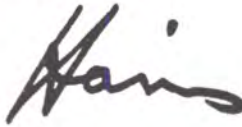
* * *

Mr. Leader, your leadership in crafting a bill and piloting it through the Congress is the key to success. As I emphasized in our private meetings last week and earlier this week, you have my night-and-day help with this, as you've had since I was elected with a special mandate for health reform that assures all Americans affordable, private health insurance.

Referring to the challenge before you, a Pittsburgh friend remarked that if you could mate a bull and a bee, you'd be in the land of milk and honey -- but it's not easy to do. I'm confident you will be able to draw on the best of the ideas in the Senate Finance and Labor Committee bills, the House bills, and other suggestions to produce a bill that will win the support of the majority of the people -- and of the Senate. If you build it -- they will come.

In the days and nights of hard work and big battles ahead, I look forward to winning the battle that Harry Truman began nearly fifty years ago. I was there cheering him on when he called for affordable, private health insurance for all Americans. I'm glad to be at your side as we work and fight to finish the job. As he might have said, it's time for the buck to stop with us, in this Congress, this year.

With warm regards,

A handwritten signature in dark ink, appearing to read "Harris", with a stylized flourish at the end.

Harris Wofford

Tax Report *A1*

A Special Summary and Forecast Of Federal and State Tax Developments

PRESSURE MOUNTS for more action to combat fraud and protect taxpayer data.

The General Accounting Office and influential lawmakers urge the IRS to improve its controls over the increasingly popular electronic-filing program. The IRS "has not yet shown how such a system can be adequately safeguarded against fraud," warns the GAO, a congressional agency. IRS reports show 64% more fraudulent electronically filed returns in this year's first five months than in the year-earlier period.

How much of this increase stems from more fraud and how much comes from improved IRS detection isn't clear. Even so, IRS officials plan tougher antifraud measures next year. IRS officials also reiterate their determination to stop their own employees from illegally browsing through confidential taxpayer records. New data show IRS employee snooping to be far more widespread than previously reported.

Commissioner Richardson says the IRS's ambitious modernization program will help deal with both problems.

USING STATE-TAX LAWS to redistribute income won't work, a report says.

As popular as such redistribution ideas may be, they are doomed to fail, warns a report by the National Bureau of Economic Research in Cambridge, Mass. "State governments cannot redistribute income if individuals can migrate among political jurisdictions," concludes the report by Martin Feldstein, president of the nonprofit group and a Harvard economist, and by Marian Vaillant, a Harvard graduate student.

The report also contends that states can't redistribute income through tax-law changes even for short periods, such as just a few years, because gross wages in a state "adjust rapidly to the changing tax environment." Mr. Feldstein adds: "States ought to leave income-redistribution efforts to the federal government."

COMPANIES WILL GET more guidance from the Treasury on executive-pay rules.

Because of the 1993 tax law, publicly held companies generally can't deduct more than \$1 million to any of their top executives unless pay is based upon meeting specific performance goals. But the rules have some tricky questions. A Treasury official says answers will be issued late this year or early in 1995. Companies hope the Treasury will ease its proposed definition of an "outside director" who is sufficiently independent to set goals and certify they have been met.

Surveys show many companies still haven't altered their pay plans to conform to the new law. Some have deferred pay over \$1 million to executives until those executives retire or leave. Other companies simply have given up the deduction, says Rhoda Edelman of Pearl Meyer Partners in New York. But more companies are likely to make the changes once the Treasury issues further guidance, lawyers predict.

"Most of our clients either have made the necessary changes or will do so soon," says Andre P. Foti of Arthur Andersen in Washington.

COMBAT ZONE? The law allows certain pay to soldiers for service in a combat zone to be excluded from income. Surely that includes Somalia, right? No, a Treasury official says, because Clinton didn't issue an executive order designating Somalia as a combat zone. A bill extending combat-zone treatment to Somalia service hasn't passed.

AT LAST: U.S. and Portuguese officials complete talks and have initialed an income-tax treaty, the first ever between the two nations. A Treasury official says the pact will resolve bank-secrecy and tax-evasion issues related to the Madeira Islands. But it still must be signed formally and approved by both governments.

TAX-REFUND FRAUD typically leads to big trouble for anyone who gets caught, IRS officials say. Commissioner Richardson says about 98% of indictments involving tax-refund fraud result in convictions. Average prison time: 17 months.

NEW YORK will offer a limited, three-month tax amnesty starting Sept. 1.

The state will allow some deadbeats to pay back taxes, plus interest, without criminal prosecution or administrative penalties. New York will offer amnesty to nonresidents who should have filed income-tax returns between 1986 and 1993. But the offer doesn't apply to those already under criminal investigation, or who have already been contacted by the state or who participated in a 1985 amnesty.

New York also will offer amnesty to out-of-state businesses that owe corporate-tax returns between 1986 and 1993. Any company already contacted by state-tax officials isn't eligible. In addition, the state is offering a use-tax amnesty to many individuals and smaller businesses, those with a New York payroll of less than \$1 million, for purchases from June 1986 through May 1993.

Critics say amnesties are grossly unfair to honest citizens who long have paid all their taxes on time.

BRIEFS: Referring to a Virginia Tax Review article, "Tax Myopia, Or Mamas Don't Let Your Babies Grow Up to Be Tax Lawyers," Treasury Deputy Assistant Secretary Cynthia Gibson Beerbower quips: "I am more worried about tax lawyers growing up to be babies." ... Sweet Revenge: Congress's Joint Committee on Taxation avenges last year's defeat by routing Treasury's tax-policy office in softball, 17-11. But Treasury team manager Bob Kilinskis explains: "We were playing 'client softball' because we need their support for some legislative initiatives."

—TOM HERMAN

CAPITAL JOURNAL By GERALD F. SEIB

Rwanda in Horror: Rude Awakening To New World

EIGHT DAYS AGO, a cargo plane chartered by Americares, a Connecticut-based relief organization, landed in Goma, Zaire, with supplies for the masses of Rwandan refugees wallowing in cholera and starvation there.

That same day, the U.S. government's top aid official was in the



Goma area, still "assessing" the crisis. Two more days passed before the Clinton administration began its all-out airlift to try to stop the horrors of Rwanda.

This contrast is especially striking because Americares doesn't actually own a single airplane or employ any pilots. It reacts in a crisis by chartering aircraft on a moment's notice. The Air Force and Air National Guard, by contrast, own well over 1,000 transport aircraft.

So, to everyone horrified by pictures of starving Rwandan children sucking at the breasts of dying mothers, this is the question: Why was the private organization with no planes moving before the government with squadrons of planes at its disposal?

Raising this question now isn't simply an exercise in Monday-morning quarterbacking. Obviously, the Clinton

administration could have been more prescient, or pushed buttons faster, and probably saved more Rwandan lives. But the American response to the Rwandan crisis wasn't any slower than during refugee crises in Somalia or Iraq. Nor can anyone impugn the U.S. military's response, which has been typically awe-inspiring once under way.

RATHER, the question of speed should be addressed because it points to broader problems than even the apocalypse of Rwanda. There's still something woefully out-of-date about America's attitudes toward the post-Cold War world, and the government machinery that deals with it. It's past time to get up-to-date.

The tragedy of Rwanda, combined with the earlier disaster in Somalia, illustrates two things. First, Americans don't want to send their soldiers into just any obscure land to stop machete-swinging thugs. But second, when those thugs create a tide of human misery, Americans still insist that their country fulfill its superpower responsibilities by being first in line to help.

There's nothing crazy about those two sentiments. They are inconsistent, though. The best way to deal with the huddled masses of refugees is to cut short the political madness before they flee. But as in Rwanda, there are many places where Americans simply aren't willing to risk their own lives because other people have gone mad.

So it is the job of policy makers to figure out how to work within the constraints of those popular sentiments. Two things need to be done.

First, the U.S. has to get serious about helping the United Nations establish permanent peacekeeping and humanitarian forces, which will do the jobs not cut out for U.S. troops. Americans are uniquely hypocritical toward the U.N. We denigrate the institution and refuse to fully cooperate with its military missions, and then complain about its failures. In Rwanda, the Clinton administration, fearing it would get sucked in, was balking in providing logistical support to support French peacekeeping troops. More broadly, it's a scandal that the U.S. remains some \$1 billion behind in payments owed to the U.N., a debt dating back in the 1980s.

AMID THE RWANDAN humanitarian mission, "we are missing the fundamental issue," says Rep. Tom Lantos (D., Calif.). "Unless the one remaining superpower organizes standby international peacekeeping, peacemaking and peace-enforcement mechanisms, Bosnia, and ethnic cleansing, and Rwanda, and cholera epidemics and genocide, will reoccur."

Second, the U.S. has to revamp a foreign-aid apparatus that was designed mostly to funnel aid into Third World countries to lure them away from communism. That job, a slow and painstaking one, has been replaced by the overnight horrors of Rwanda and Bosnia. The system hasn't caught up.

With little note or fanfare, the Clinton State Department has at least taken a stab at breaking the mold this year, by drawing up an international-security budget that scuttles the old agency-by-agency allotments and instead divides up money among six missions America now faces abroad. One of those missions is "promoting peace," another is "providing humanitarian assistance." The administration also has proposed a law similarly realigning the bureaucracy. But Congress hasn't acted.

If anyone doubts the gravity of facing these issues, they should read a graphic letter, written by Jeff Colyer, a U.S. surgeon, and hand-carried out of Rwanda. Dr. Colyer, who's in Rwanda for the International Medical Corps, writes of a frightening land in which the houses are empty but the dogs grow fat off human carcasses. "Genocide is not just the killing of 500,000 people," he writes. "It results in a nation totally looted of life and humanity. America must not avert its gaze."

THE PRESIDENT HAS SEEN
7/28/94

THE WHITE HOUSE
WASHINGTON

THE PRESIDENT

7/27/94

94 JUL 25 P5:44

July 25, 1994

MEMORANDUM FOR JOHN PODESTA

FROM: Jennifer O'Connor

SUBJECT: Attached letter to the President from Secretary Jesse Brown

Secretary Jesse Brown sent the attached letter to the President. It urges him to emphasize the veterans-related portions of health care reform in his speeches and also asks him to attend a veterans organization convention in late August.

I have responded to the Secretary that his letter has been forwarded to the President's office. I will also follow up with his staff on the scheduling request.

Tikes

*Copied
copy ~~to~~ Ricki*

*Harold
I agree that
you would be concerned
that differences of my words
Be*

*Leon
C.C. Harold
IRA
Ricki*



THE SECRETARY OF VETERANS AFFAIRS
WASHINGTON

July 22, 1994

The President
The White House
Washington, DC 20500

Dear Mr. President:

As we enter the final stages of the debate on health-care reform, I urge you to capitalize on the veterans provisions in your proposal. What your plan would achieve for veterans and their families addresses the greatest needs of the VA health-care system and gives VA its best opportunity to survive and succeed.

As a result of my and other VA officials' efforts over the last year, along with the excellent presentation the First Lady made to the American Legion's winter conference, the leadership of the major veterans organizations are informed and supportive of the veterans part of the legislation. Today ten veterans organizations will be joining Senate Veterans' Affairs Committee Chairman Rockefeller and me, and a number of other Senators, at a press conference aimed at highlighting the importance of health-care reform to veterans. We will be stressing universal coverage as a matter of special significance for veterans. This event will both be helpful to our overall effort to advance the cause of reform and improve the outlook for including strong veterans provisions in the bill.

However, only with your visible involvement in pushing for the veterans part of reform will we be able to maximize support among the nation's 26.8 million veterans and their 43 million dependents. Thus, I strongly recommend that you include in your public statements on health care over the next few weeks reference to the benefits that reform could achieve for veterans with enactment of a good bill, including universal coverage and employer responsibility.

I also believe that it could be very advantageous for you to attend at least one of the upcoming national veterans organizations' conventions. This would demonstrate the ongoing nature of your commitment to veterans -- bridging your 1992 appearance before the Legion convention and your likely participation in one or more in 1996. This year's Disabled American Veterans convention will begin on August 21 in Chicago, the Veterans

Page 2

of Foreign Wars will convene in Las Vegas on August 22, and the Paralyzed Veterans of America, on August 23 in Boston. An address at one of these meetings might also give you an opportunity to influence the outcome of a House-Senate conference by enlisting veterans' support for meaningful reform. This is because the closer the bill comes to achieving your overall goals the better it is likely to be able to support your veterans proposals.

I will appreciate your consideration of this matter. I am here to help in any way I can.

Sincerely yours,

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

JB/es

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IRA
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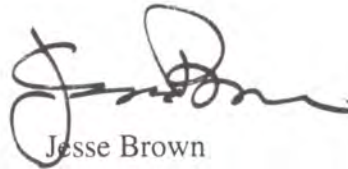
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THE WHITE HOUSE
WASHINGTON

JULY 26, 1994

94 JUL 26 P3:11

RECOMMENDED TELEPHONE CALL

✓
TO: Senator John Breaux
DATE: July 26, 1994
RECOMMENDED BY: Patrick J. Griffin

PURPOSE: To ask the Senator to support the Space Station program.

BACKGROUND: The Senate will be voting on the Space Station when the VA, HUD, and Independent Agencies appropriations bill comes up on the floor later this week or early next week. On June 29th the House approved funding for the Space Station by a vote of 278-155.

Right now the vote count looks very good with 55-60 Senators in the yes or leaning yes column. The Administration's goal is to win by as large a margin as possible to put the issue to rest and avoid funding problems in the future. Senator Breaux is currently leaning toward supporting the Space Station although his support has been soft. A call from you would be instrumental in securing his vote.

TOPICS OF DISCUSSION:

- OK
1. Thank the Senator for his support of the Space Station the last two years and encourage him to do so again this year. Remind him that this is a high priority for the Administration.
 2. Emphasize the benefits of the new streamlined Space Station program and the new Space Station design.
 3. Emphasize the importance of the Space program to Louisiana. The state received \$316 million in NASA funds in FY 1993..
 4. Tell him you are looking to leaders within the party, such as himself, to provide the decisive margin needed to put the issue to rest.

CONTACT PERSON AND
TELEPHONE NUMBER(S): White House operator

DATE OF SUBMISSION: July 26, 1994

ACTION: _____

*fyi - orig to Clerk
copy to PR*

7/2

THE WHITE HOUSE
WASHINGTON

July 25, 1994

94 JUL 26 AM 11:51

MEMORANDUM FOR THE PRESIDENT

FROM: R. PAUL RICHARD *PR*

SUBJECT: CITATIONS FOR RECIPIENTS OF THE PRESIDENTIAL MEDAL
OF FREEDOM

Attached for your review are proposed citations for the nine men and women who will received the Presidential Medal of Freedom on August 8. If you approve, we will have the Social Office prepare the formal documents for presentation next Monday.

✓
____ Approve

____ Approve with edits

____ Redraft

HERBERT BLOCK

Combining humor, satire, and an incisive wit, Herbert Block, better known by his pen name Herblock, has endowed editorial pages with his skilled artistry for nearly half a century. His political cartoons continue to enliven the minds and tweak the sensibilities of millions of Americans. Usually selecting his targets from among the powerful of Washington, every president since Herbert Hoover has known the sting of Herblock's pen. He instills our nation's leaders with a dose of humility, reminding us all that public service is a privilege not to be taken lightly.

CESAR CHAVEZ

With few material possessions, but guided by his parents' steady example, his Catholic faith, the lessons of Gandhi, and an unshakable belief in justice, Cesar Chavez brought about much needed change in our country. An agricultural worker himself since childhood, he possessed a deeply personal understanding of the plight of migrant workers, and he labored all his years to lift their lives. He faced the formidable, often violent, opposition to this cause with dignity and nonviolence. And he was victorious. Cesar Chavez left our world better than he found it, and his legacy inspires us still.

ARTHUR FLEMMING

The highest attributes of government service are clearly evident in the brilliant career of Arthur Flemming. Serving every President from Franklin Roosevelt to Ronald Reagan, he is a proven resource of astute intelligence and steadfast loyalty. In each of the diverse positions he has held in federal government, his talent and commitment have been exemplary. From his tenure on the first two Hoover Commissions, striving to renew and reinvigorate established principles of power, to his work with the White House Conference on Aging and the Department of Health, Education, and Welfare, seeking to improve health care across the nation, to his landmark efforts with the Commission on Civil Rights, challenging the status quo and requiring our nation to uphold its promise of equality, Arthur Flemming has selflessly labored for decades to make American government more effective and efficient. A grateful nation thanks him.

JAMES GRANT

Recognizing that our children are our most important resource and most profound responsibility, James Grant has devoted his life to making the world a better place for its youth. He has proven to be a compassionate and visionary executive director at UNICEF, teaching us the disastrous effects of poverty, population growth, and environmental degradation upon the vulnerable and dispossessed children of our world. Thanks to his leadership, UNICEF has succeeded in reducing disease, malnutrition, disability, and illiteracy on a global scale. His wise stewardship has pointed the way toward a future in which these adversities no longer threaten our children. James Grant continues to create hope and opportunity where there was once only despair, earning our eternal gratitude and ensuring a brighter tomorrow for our world.

DOROTHY IRENE HEIGHT

Dorothy Height has spent a lifetime providing leadership in the struggle to make the promise of equality a reality for people around the world. Beginning as a civil rights advocate in the 1930s, she soon gained prominence through her tireless efforts to promote interracial schooling, to register and educate voters, and to increase the visibility and status of women in our society. She has labored to provide hope for inner-city children and their families, and she can claim responsibility for many of the advances made by women and African Americans over the course of this century. For helping our nation to more accurately reflect the noble principles on which it was founded, we honor Dorothy Height.

BARBARA JORDAN

Teaching by deed, as well as by word, Barbara Jordan has dramatically articulated an enduring standard of morality in American politics. Guided by an unshakable faith in the Constitution, she insists that it is the sacred duty of those who hold power to govern ethically and to preserve the rule of law. As the first African American woman elected to the Texas state senate, her conspicuous abilities led her to the U.S. Congress, where her brilliant rhetoric and meticulous judgment earned our lasting respect. She continues her life's work as teacher, explaining and analyzing complex issues of moral responsibility in politics and imbuing the leaders of tomorrow with the ability to follow her formidable lead.

LANE KIRKLAND

Lane Kirkland is a hero of the modern labor movement -- a man who has spent his life forging solidarity among the men and women whose sweat and toil have built our world. Ever resolute in his quest to enhance opportunities for working people, he has tirelessly worked to strengthen democracy and to further the cause of human rights. During the Cold War, his vital assistance to the Solidarity movement in Poland spurred the forces of freedom toward victory in Eastern Europe, just as his guidance here at home helped to renew and fortify the American economy. As a people, we are indebted to Lane for his talented leadership efforts as an advocate for unity and social justice.

BOB MICHEL

Demonstrating loyal devotion to our country, Bob Michel has worked ceaselessly to move our nation forward. After valiant Army service during World War II, he chose to serve his community and country in Congress, earning the trust of his constituents, election after election for nearly four decades. Raising his voice, sometimes in song, but always in the spirit of creative compromise and cooperation, he has won the enduring respect of his colleagues on the Hill and of the nine presidents under whom he has served. He retires as House Minority Leader, leaving a history of legislative victories that often broke gridlock in times of crisis. America thanks him for demonstrating the highest standards of public service, putting the interests of the nation ahead of his own.



ROBERT SARGENT SHRIVER

Robert Sargent Shriver has not only shared, but shaped, the action and passion of his times. It was Sarge Shriver's energy, persuasion, and leadership that made the Peace Corps possible -- that living reminder that the essence of American power is not might of arms, but constancy of ideals and perseverance of effort. That so much endures of what he created both stuns and invigorates: Head Start, VISTA, Foster Grandparents, Legal Services, the Job Corps, and more. He released a torrent of creative energy -- from Special Olympic athletes to Head Start students to National Service pioneers. "Serve, serve, serve," Sargent Shriver told Americans, "because in the end, it will be the servants who save us all." His service has been our legacy of hope.

7/27/94
7/27/94
THE PRESIDENT HAS SEEN

*Take - know you
disregard this bit -
I think it has some reality
to it - B.C. -*

A WORKABLE CLINTON DOCTRINE

by Charles William Maynes

In his confirmation hearings, Secretary of State Warren Christopher announced that with the end of the Cold War, America now had an opportunity to create "a new strategy to direct America's resources at something other than superpower confrontation." He promised that the Clinton administration would "adapt our foreign policy and institutions" to the revolutionary changes that began with the destruction of the Berlin Wall.

In September, nine months into its term, the Clinton administration finally presented its new approach with four speeches: President Bill Clinton's address to the United Nations General Assembly, the secretary of state's address at Columbia University, National Security Adviser Anthony Lake's remarks at the Johns Hopkins School of Advanced International Studies, and U.S. ambassador to the U.N. Madeleine Albright's speech at National Defense University.

Revealed in the four speeches was more continuity than change. The new approach turns out to be much like the old one. Under the Clinton doctrine of enlargement, America's alliance commitments remain the same as they were under the Cold War doctrine of containment. American troops stay where they are. As the chairman of the House Armed Services Committee has pointed out, even after proposed drawdowns the U.S. force structure will be at roughly 90 per cent of the figure that retired head of the Joint Chiefs of Staff Colin Powell developed—*before* the Berlin Wall came down, the Warsaw Pact disbanded, and the Soviet Union fragmented.

Under the new doctrine of enlargement, the United States will try to spread democracy and free markets. But that was the U.S. objective during the Cold War. Meanwhile, the adminis-

CHARLES WILLIAM MAYNES is editor of FOREIGN POLICY.

tration has retreated from its early, bold endorsement of U.N. peacekeeping. Now it states that Americans will only participate under conditions that very few U.N. operations, including those in the Middle East, could ever meet.

The four speeches do represent a serious intellectual effort. They will help provide a badly needed better focus for administration policy. But an issue not directly discussed in any of the speeches is whether America's international aims can be accomplished at a lower price and with less risk than the country is now incurring. Apparently, the Clinton administration's answer is no.

In their overarching message, the September speeches seem almost a collective answer to Peter Tarnoff, the under secretary of state for political affairs who suggested in May 1993 that the United States no longer had the resources to run the world. A political storm followed. Although Christopher repudiated Tarnoff within hours, the administration apparently felt the need to put even more distance between the would-be "Tarnoff doctrine" and its own foreign policy.

But the irony is that Tarnoff's statement was the administration's only serious attempt to grapple with a very difficult three-pronged problem: the growing ability of the news media to set this country's international agenda, the loss of the Cold War geopolitical compass to guide administration responses to media pressure, and a public that refuses to make available the resources necessary to carry out a vigorous foreign policy.

Ever since the breakup of the Soviet Union, it has become clear to anyone who cares to notice that in Washington the real agenda-setters for foreign policy sit not in the White House but in editorial rooms and press cubicles. Clinton may have come to office determined to play down international issues so that he could concentrate on his domestic reform proposals, but news coverage of the civil war in Bosnia-Herzegovina forced the administration to keep returning to an issue it hoped would go away. It was compelled to engage and reengage with one inadequate policy after another until the only remaining option was committing ground troops. That was a step it refused to

take, so it confessed public failure.

The Bush administration also allowed the media to set its priorities once the Berlin Wall came down. The United States had no traditional national interest in the outcome of the unfolding human tragedy in Somalia. But the unrelenting media attention to the famine there finally compelled an administration that had previously tried to limit U.N. involvement in Somalia in order to decrease America's U.N. dues to suddenly reverse course and authorize an American peacekeeping force to end the anarchy and famine there. The cost to the United States could have been a few tens of millions of dollars in U.N. dues for peacekeeping if it had supported early action. By waiting and then acting alone, the Bush administration set the United States on a course that will tax the Treasury in excess of \$1 billion and that cost the country a significant number of dead and wounded.

The power of the media to expand the country's foreign agenda against a budgetary background of shrinking resources is a novel problem for U.S. officials. Public opinion plays a critical role in any democracy, but during the Cold War U.S. policymakers possessed a geopolitical yardstick to prioritize international developments and organize domestic support. Events irrelevant to the global struggle between Moscow and Washington were simply downgraded or ignored while rivers of money flowed for programs that seemed related to that struggle. In 1965, the Indonesian government encouraged the slaughter of more than a half million people in an effort to cripple the Communist party there, but the United States did not seem terribly concerned about violations of human rights or oppressive government. Pol Pot carried out his genocide against the Cambodian people, yet America was more troubled by the Vietnamese invasion of Cambodia and the overthrow of the government there than by the earlier moral abomination. Revelations that the Shah of Iran was a dictator or that Korean presidents were corrupt altered American policy only slightly.

No longer. Today, each new revelation brings a call for American intervention or involvement. That is the price both of being the

world's sole remaining superpower and of failing to develop any clear geopolitical standard to guide the country's international involvement. The United States has the political influence, economic leverage, and military strength to intervene with effect in a number of situations around the globe, and the Soviets no longer stand in the way. Thus, whether or not the United States decides to act seems to depend almost entirely on the unpredictable interaction of media priorities and presidential attention.

Such an approach to foreign policy at some point will pose severe problems for the country. Washington will be pushed either to assume unacceptable burdens or to suffer grave embarrassment. As it says yes on some occasions and no on others, the United States will appear both overextended and lacking will. Indeed, those are the awkward options facing the Clinton administration in dealing with a growing number of crises, from Bosnia to Haiti and Liberia to Iraq.

A New Yardstick

The administration needs a geopolitical yardstick to enable it to regain control of the international agenda. It needs some midpoint between the only two approaches that now vie for dominance as the conceptual foundation of U.S. foreign policy: global preeminence or traditional isolationism.

The former, of course, is too economically expensive whereas the latter is too politically expensive. For that reason, neither approach has gained widespread support. Both the Bush and Clinton administrations have tried to solve the problem by settling on an approach that might be described as maintaining the global pretense politically while adopting a more regional posture economically. Both administrations have seemed determined to maintain all of America's political commitments worldwide even though most of them were accepted in an entirely different set of circumstances. Bush sought a new world order that the United States would dominate. Clinton seeks an enlarging circle of friends that the United States will lead. But in the economic field both Bush and Clinton have given a greater priority to establishing a free trade agreement with Canada

and Mexico (NAFTA) than to completing a new accord under the General Agreement on Tariffs and Trade (GATT) that would benefit the entire world.

In an era of restricted resources, however, a sensible post-Cold War foreign policy would call for exactly the opposite focus. The United States would work gradually toward a more regional political approach and a more global economic approach. Over time, the United States would abandon its global military pretense because the military challenge is no longer worldwide. The Soviet Union no longer exists. It will be decades before another power poses a similar challenge to the United States. True, many crises around the world may require outside involvement, but an increasing number of them can be handled by the area's dominant powers or regional organizations if we begin now to strengthen them.

The global pretense now makes Washington responsible for the future of Somali politics, the fate of the Kurds in northern Iraq, the maintenance of the indefensible borders of the newly independent parts of the former Yugoslavia, and the outcome of the election in Cambodia. It threatens to make America responsible for the defense of the new borders of all the former Soviet empire, now a cauldron of ethnic unrest. Indeed, there are calls for the United States to extend NATO's border guarantees to all of Central and Eastern Europe.

Clearly, the United States cannot suddenly abandon or revise formal commitments it has undertaken in other parts of the world. Nor should it. Change will take years, but either it can come in response to unanticipated events, political setbacks, and an exhausted treasury on the one hand, or it can come in response to a conscious, forward-looking strategy on the other. Washington can wait until its fiscal situation no longer permits further "enlargement" of responsibilities, or it can begin the process of gradually building up the ability of other powers to accept responsibility in their own regions according to some agreed upon norms and accepted international law.

In Europe, such a policy would call on the United States to abandon its recent stance of studied indecision toward the process of Euro-

pean integration. It would return to America's earlier strong commitment to a strengthened European Community. It would encourage a strong, independent European defense arm.

Of course, there will be concern about the role of NATO. The organization remains important because it provides nonnuclear Germany with a nuclear umbrella, less necessary than during the Cold War but still psychologically comforting to Germany and its neighbors. But efforts to saddle NATO with the role of European gendarme, called upon to stamp out ethnic conflict, are almost certain to fail. NATO is a reactive organization. If a hostile power attacks a NATO member, the other members join in the common defense. NATO cannot be a proactive organization because its largest European member, Germany, will not participate in such a reorientation. The political consensus in Germany will not permit the use of German troops in combat operations not directly involved in self-defense.

In Washington the real agenda setters for foreign policy sit not in the White House but in editorial rooms and press cubicles.

The United States, for its part, is not willing to serve as Europe's gendarme. During two world wars and the Cold War it made enormous sacrifices to prevent the rise of a single hegemonic power in Europe, but it is not willing to intervene in crises like Bosnia or Georgia or Northern Ireland to impose a settlement on parties that resist outside intervention. If a gendarme's role is required for European security, a European force will have to play it. America's role should be minor.

Promoting self-reliance in Asia would require the United States to aggressively explore the possibility of a new security order in Asia in which all of the major parties there would be invited to participate. Most of the detailed calls for a multilateral approach to Asian security have emanated from the Asian states themselves. As Stephen Blank, an associate professor at the Strategic Studies Institute, has pointed out, one reason why the United States should

look more deeply into more structured forums in Asia is so that "any future negotiation will be of [U.S.] choosing and not imposed on it."

In his confirmation hearings, Winston Lord, the assistant secretary of state for East Asian and Pacific affairs, indicated for the first time U.S. receptiveness to a dialogue on new security arrangements. But America is still hampered in its approach because it wants to preserve its semi-permanent role as supreme arbiter. That is a role America may not be able to afford over the longer run, particularly if a major arms race is unleashed in an area now awash with money. America cannot escape its immediate responsibilities, but it needs a vision of where it is heading, not simply a mechanical endorsement of more multilateral machinery in the area. States in the region realize the need for change. On May 30, 1993, the *New York Times* reported that China and Japan had agreed to begin their first postwar bilateral security consultations. Australia has called for new multilateral efforts, as have Canada, Russia, and South Korea.

In other areas, regional self-reliance would lead the United States to develop a long-run policy to strengthen organizations like the Association of Southeast Asian Nations (ASEAN), the Organization of American States (OAS), and the Organization of African Unity (OAU) to handle the problems of their regions. That now seems like a distant dream; but, again, unless the United States takes steps now, it will be pressed to undertake more operations like that in Somalia for decades to come. The United States is finally working with some key African states to deal with the Somali crisis. It should also be trying to involve the OAU as an institution. The goal would be to build up the competence of the OAU over time. In Latin America, the United States could try to strengthen the OAS by involving that organization in peacekeeping, perhaps starting with a role in the defense of the Panama Canal. Again, the goal would be to develop a greater competence over the long run. ASEAN might be encouraged to develop a collective ability to protect Southeast Asian sea-lanes.

In the Middle East, the United States now has no alternative but to guarantee the status

quo. Its intervention in the Persian Gulf has left the United States with that responsibility. But here as well, the long-term aim should be to reduce American exposure by working to develop a local balance of power that will protect America's friends and safeguard the flow of oil from the area. The recent agreement between the Palestine Liberation Organization (PLO) and Israel may open more opportunities for that approach than have been available in the past. Over the long run, the United States must strive for some form of reconciliation with both Iran and Iraq. Such a dramatic change in the relationship with either is now impossible without a change in policy direction or leadership by Baghdad and Tehran. But a more normal relationship with both capitals should be the long-range objective of American diplomacy. The dual containment policy against Iran and Iraq announced by the Clinton administration may be a short-run necessity. It will be a long-run mistake if U.S. policy becomes calcified and U.S. diplomats stop looking for ways to encourage change in those two hostile states.

A policy of aiming for greater regional self-reliance does not mean an end to America's global role. The U.S. security task would evolve into one of balancer and conciliator rather than protector or guarantor. Thus in Europe and the Far East, the United States would offer positive nuclear security guarantees to allied states ("we will defend you") and negative nuclear security assurances ("we will not attack you") to states that are signatories of the non-proliferation treaty. In all regions of the world, the United States would, when necessary, continue to bring to bear its naval and air power, which must remain robust. But a policy of regional self-reliance would recognize that certain powerful states in each area will inevitably play a special security role. Others would understand that America would assist that process provided the dominant states in question were democratic and benign.

In the Western Hemisphere, the United States has played the dominant role and will continue to do so. In the former Soviet Union, Russia could play that role. In South Asia, India will. And in Asia, both China and Japan are acquiring the power to take on that role, al-

though there are serious problems because China is not yet even in a transition to democracy. In Southeast Asia, the ASEAN states could play that role, particularly if, in time, Vietnam became a member. In Europe, the European Community should.

Of course, when powerful states have dominated their regions in the past, their purpose has not always been benign. Large powers often intimidated or conquered others. Their success in turn ignited the fears of other states and international tensions began to rise. That disturbing pattern can only be avoided if the great powers agree to exercise their power more responsibly. How can that happen?

Benign Realpolitik

There are two possible cooperative approaches the international community could follow. Both require efforts toward greater democratization and freer markets by the dominant states—top goals of the Clinton administration. The first approach would be to attempt to control world developments by the collective action of the dominant powers acting through the U.N. Security Council. That body over time would forge the tools to impose its decisions on member states. That might be described as muscular multilateralism.

The second approach would work toward a more decentralized international system. That approach also assumes gradual democratization within all the great powers. If that were to happen, then over time the rest of the world might find more acceptable a world order in which the great powers through benign spheres of influence assumed larger responsibilities in some parts of the world but not in others. The U.N.'s role would then be to legitimate and support the regional actions of the great powers or to censure and sanction them. Such a world might be described as one of benign realpolitik.

Muscular multilateralism assumes that the security priority is establishing an international mechanism that, although controlled by the decisions of states, would in fact replace the independent actions of states. The U.N. would act in the place of states. Somalia is an example. The second approach assumes that states will remain the principal actors on the international

scene and that in most circumstances international organizations cannot replace them. The role of the U.N. is then to nudge states into behaving lawfully and constructively in the international arena.

Obviously, there is a place for both approaches. But the issue of which idea should dominate is critical because the choice will set the overall direction of U.S. foreign policy. In trying to decide which approach is the more realistic, one is helped by examining some of the problems the U.N. faces in the post-Cold War world.

The United Nations is now in trouble in Somalia, has proved ineffectual in Bosnia, and has failed in Angola. What is wrong? Some critics answer that the root of the problem is the U.N.'s inability to use military power to enforce its decisions. They propose that the U.N. become more aggressive in the use of force, or they argue that other institutions should be willing to use force—for example NATO, in the case of Bosnia.

But the critics are asking the U.N. or any substitute organization to undertake a Mission Impossible. International organizations have traditionally performed five functions in the field of peace and security: investigation, mediation, observation, defense, and deterrence. They are seldom able to take over whole countries, and when they have done so, difficulties have arisen, as in the Congo in the early 1960s or in Somalia today.

The United Nations and various regional organizations have all—rarely publicly, often quietly—defused international crises over the decades by sending out investigators and mediators who work to persuade the parties to compromise before tension erupts into conflict. The relatively smooth course of decolonization benefited from such efforts. Usually, when mediation efforts succeed, the great powers have backed the international organizations involved.

Those organizations have also helped when a conflict does break out. The Middle East is an example. When Israel and its neighbors reached a point in past wars where they wanted a ceasefire, the U.N. could legitimate the result, observe compliance with its terms, and then permit the United States and others to resume

efforts to urge the parties toward some final accommodation.

In cases of clear-cut aggression, international organizations have traditionally played a more marginal role. They have been able to censure but not compel the aggressor to retreat unless some large power was prepared to assume the role of the implementing arm and commit a large number of ground troops to repel the invading forces. The United States was willing to assume that role when South Korea in 1950 and Kuwait in 1990 were invaded, and with U.N. blessing pushed back the aggressor. The United States was not willing to play a similar role when the Soviet Union marched into Hungary, Indonesia seized East Timor, India invaded East Pakistan, or Israel occupied part of southern Lebanon.

A policy of aiming for greater regional self-reliance does not mean an end to America's global role. The U.S. security task would evolve into one of balancer and conciliator rather than protector or guarantor.

Finally, some international organizations—NATO is the most prominent—have performed the task of deterrence. NATO's capability to defend Western Europe was never tested, but for decades it was assumed that NATO successfully deterred Soviet troops from going into West Germany.

Regrettably, none of the current crises that so trouble world peace fit into the traditional categories of action by international organizations. In Angola, Bosnia, Cambodia, Liberia, Nagorno-Karabakh, Tajikistan, Somalia, or Sudan, the only way to ensure a quick end to the violence is through the introduction of large outside forces to compel the parties to cease fighting. What is being asked of the U.N., NATO, or other international organizations is thus the establishment of what might be called a peace protectorate. The task is of imperial proportions and possibly of endless duration. In many of those areas, troops would have to remain indefinitely on station to pre-

vent conflict. The U.N. force in Cyprus and the British presence in Northern Ireland are different but instructive examples.

There are several reasons why international organizations find it difficult to carry out the protectorate function many now espouse. First, when significant elements of the population will not cooperate, trying to establish a peace protectorate is immensely difficult. In Northern Ireland, for example, the British presumably enjoy excellent intelligence. The people of Ulster speak English. The British must have agents and sympathizers in both the Catholic and Protestant segments of the population, and they have occupied the area for centuries. Yet the British cannot identify their enemy with sufficient precision to end the civil strife.

Contrast the U.N.'s position in Somalia. There, the terrain is unfamiliar, the language is unintelligible to the peacekeepers, and neither the United States nor the U.N. can have many agents in place. Indeed, the U.S. forces started out using as a translator a son of the man, Mohammed Farah Aidid, they were later trying to capture. Little of the sophisticated eavesdropping equipment that the United States or others might bring to bear is useful in such an environment. The international force is half blind. That is why the U.N. has stumbled into such embarrassments as mistakenly attacking one of its own offices in the search for Aidid.

But the problems of establishing a protectorate do not end there. In the past, imperial powers could impose their sway on vast sections of the globe because few back home paid much attention to the tactics being employed by their imperial agents. Rebels could be suppressed ruthlessly without risk of censure. The press had yet to develop a global reach. The international human rights movement had not been born.

Before Somalia, the U.N. had attempted to establish a peace protectorate only once—in the Congo during the 1960s. How the U.N. accomplished its mission has troubling implications for a similar effort today. At a critical moment, the U.N. commander on the spot cut off telephone contact with New York and proceeded to crush the rebellion in Katanga province. Once successful in reestablishing central

control over the entire country, the U.N. concentrated on establishing effective government, not establishing democracy. The real power in the country was General Mobutu Sese Seko, who formally seized power in 1965 and went on to become one of this century's great tyrants. Notwithstanding that outcome, the U.N. operation was judged a success. It would not be considered one today.

Because of the difficulties encountered in Somalia, the Clinton administration has temporarily retreated from its early optimism about muscular multilateralism. In her September speech, Albright stated that in the future, the United States will insist that a genuine ceasefire prevail before the United States commit its ground troops to U.N. peacekeeping operations. That, of course, means that the United States will not participate in another Somalia.

But if the first approach faces difficulties, what can be said for a policy of benign realpolitik? How, under the second approach, would the international organizations handle the problems posed by conflicts like those in Bosnia or Nagorno-Karabakh? The answer is that they could play a constructive role but that they would not necessarily "solve" the problem. It would be understood that ethnic conflicts often cannot be solved, only mitigated through dialogue, mediation, and humanitarian assistance.

There would be no institutional bar to muscular multilateralism, but it would be recognized that only in rare situations—and Somalia may be one—would it be practicable. If force had to be used, a more common path would be for the international community to search for and legitimate some individual state to serve as the enforcer for the international community. In most cases, that would turn out to be a neighbor state with a direct interest in the outcome.

In that regard, Boris Yeltsin has proposed that Russia might serve as the arbiter of disputes in the former Soviet Union, provided that it acted with the formal blessing of the United Nations. His proposal was immediately attacked as a sign that traditional Russian imperialism had returned. But it would be a major advance in international law if any of the great powers accepted such legal restraints.

It is a reality that Russia is destined to remain the strongest state in the former Soviet Union, just as the United States will remain the strongest state in the Western Hemisphere. It is inevitable that such powers will exercise authority in their spheres of influence. What is not inevitable is that any one of them should agree to make its use of power more benign by subjecting it to some international standard of law and morality.

In the past, attempts to build a world order on the basis of spheres of influence have seemed unprincipled and immoral. Richard Nixon and Henry Kissinger were roundly denounced for supporting such a world. Some will condemn the concept of recognizing a sphere of influence even for a democratic Russia as recreating the evil empire. But Americans either do or do not believe their own ideology about the relatively benign character of democratic states. If they do believe what they say, then they would be comfortable with a powerful democratic Russia. And indeed, the world would become more relaxed about an international order based on traditional spheres of influence if several of the great powers were democratic or moving on the path to democracy, provided the dominant powers in each region agreed to exercise their authority according to some international process.

No doubt an approach based on spheres of influence in a more democratic world will alarm those who seek complete equality among states. But the last two decades should have taught us that any semblance of an international rule of law must rest on a system that can harness the power of key states with the capacity to act. The world might have ridiculed and criticized Uganda under Idi Amin, but it took an African country, Tanzania, to overthrow him. The world was annoyed by the criminal actions of Manuel Antonio Noriega, but only the United States could remove him. The world looked on with horror when Pol Pot instituted a policy of auto-genocide in Cambodia, but the only country willing to take military action was Vietnam. In South Asia, the Pakistani army was engaged in a campaign of extermination against the political and intellectual elite of East Bengal. The world deplored

the violence but did nothing. Finally, the Indian army moved and Bangladesh was born.

In none of those crises was the world community willing to act, just as it has been unwilling to act in Bosnia-Herzegovina. The world should learn from its history. One tragedy of Bosnia is that no regional power has sufficient interest and capability to impose order there; the relevant regional organization is not ready to act. The logical candidates to impose a peacekeeping protectorate in Bosnia would be the European Community and a democratic Russia acting together through the Conference on Security and Cooperation in Europe; but for many reasons, including U.S. opposition, Europe has not developed a coherent foreign policy and security identity and Russia has been in political disarray and not completed the transition to democracy.

The shortcoming of all the interventions mentioned, of course, is that they were unilateral. The international community sharply condemned most of them in overwhelming U.N. votes. None of the intervening powers saw the need to seek international or regional approval as a prerequisite for action. The challenge to the international community is to come up with procedures for authorizing and disciplining unilateral interventions when national interests are at stake.

The Economic Dimensions

A new approach to security, however, would not alone constitute an adequate post-Cold War foreign policy. The biggest problem facing the world today is not aggression but oppression in the form of intolerable living conditions or inhumane political behavior. The biggest threat to the democratization trend in various parts of the world is the troubled state of the world economy and the totally inadequate response of the major economic powers to that common problem. The next foundation stone for a post-Cold War foreign policy is therefore a commitment to global solidarity, which implies a continuing commitment to enhancing the individual dignity of all the world's people and to finding innovative ways to restore health to the international economy.

No one can pretend that a policy of global

solidarity will produce early results. The richer states are even more reluctant than ever to open their markets because global economic conditions are so grim. Throughout the developed world, governments now suffer from aid fatigue. Third World countries are seen as corrupt or beyond help. Rising domestic problems in even the richest countries make trade concessions or foreign aid among the most unpopular of all governmental policies. The collapse of the communist order in Eastern Europe and the former Soviet Union has compounded the problem by increasing the number of those in need of concessions.

Nevertheless, political prudence and common decency require that the United States continue the search for policies that can alleviate the conditions in which far too many people now live. But because the Cold War is over, the United States should adopt a totally different approach to development issues. In the past, the focus was on countries useful in the global East-West struggle. Now the focus should be on problems that transcend the nation-state. That is to say, the goal of U.S. development policy should be less to help particular countries and more to cooperate with others on global problems like population growth, environmental degradation, and the spread of communicable diseases.

Such a posture would require the United States to de-emphasize bilateral aid and strengthen multilateral aid because few global problems can be addressed except on an international basis. But much more would have to be done to increase the degree of accountability shown by international organizations to date.

Global solidarity would require an intensified commitment to respect for human rights. That is a long struggle from which no one should expect early results. Yet through a commitment to global solidarity, the advocates of human rights are likely, over time, to continue making gains. It took hundreds of years to establish procedures for the meaningful observation of political and civil rights in Western countries. It has taken the international community only a few decades since the end of World War II and the Holocaust to move from codifying rights to hesitantly implementing them. Mean-

while, modern communications are making it harder to carry out mass crimes in secrecy.

The international community must therefore continue to press for transparency and accountability among states. It probably is not possible to bring to justice those who violate international human rights law. But they should be subjected to unrelenting criticism and inquiry from others. They should be deprived of respectability at both the bilateral and multilateral levels. They should remain captives of the political system that spawned them.

The international community, while working toward a more decentralized world politically, should strive toward a more globalized world economically. For a world with globalized trade can only be wealthier than one that is regionalized. Moreover, a world with regionalized trade is one that is likely to freeze out the former communist states and the poorer Third World countries. That cannot be a healthy approach to the world's economic problems.

Today, however, the economic trends are toward regionalism. Japan's trade with its Asian neighbors is now higher than its trade with the United States. Western Europe sees a new sphere of trade influence in Eastern Europe. The United States has spurred regionalism with the NAFTA negotiations that would bind Canada, Mexico, and the United States into a single free market. That agreement is in the interests of the three countries and should be concluded. But it cannot stand alone. The GATT agreement would boost world trade by \$200 billion by most accepted estimates; NAFTA, by comparison, would add \$5 to \$20 billion in trade.

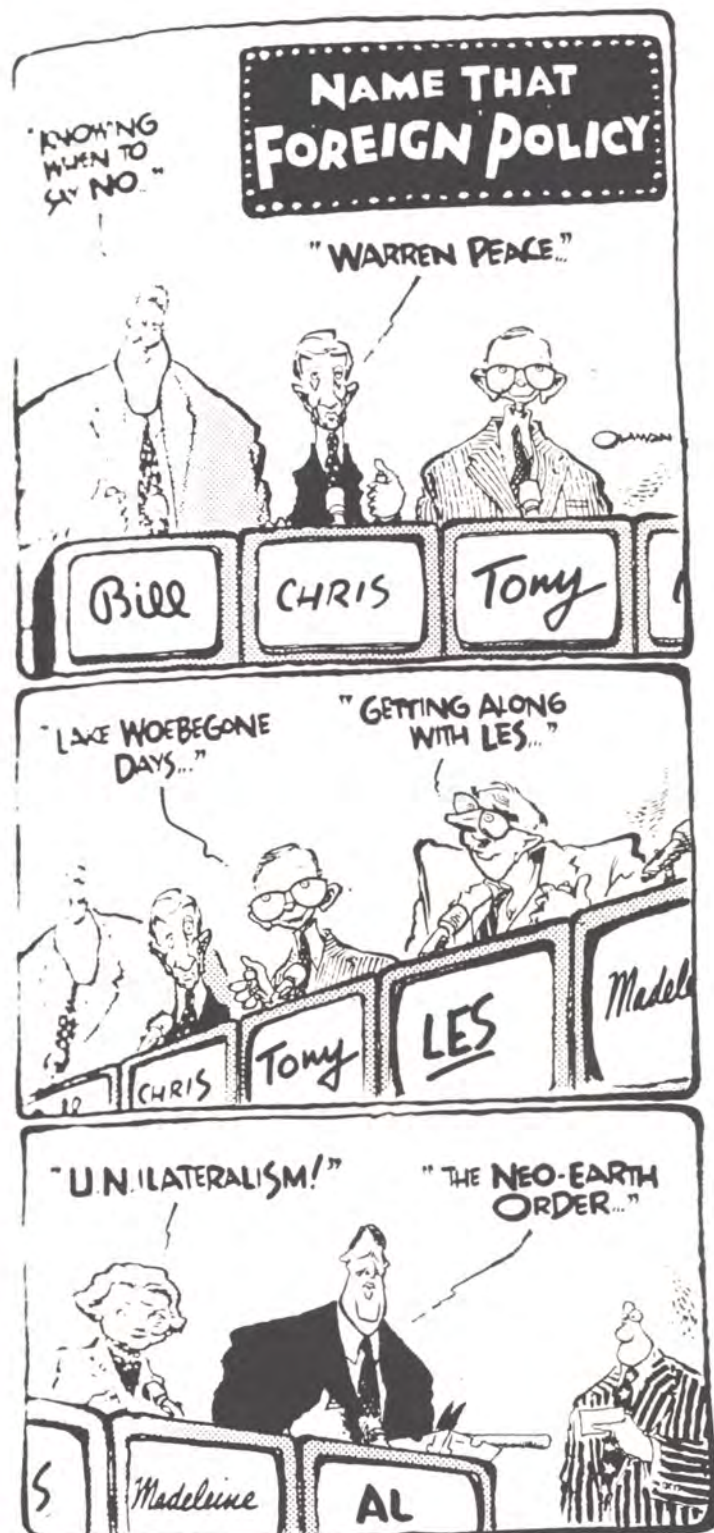
Beyond GATT, the Clinton administration needs to develop a detailed global growth package. It should cover debt relief for the poor, more open markets for the former communist countries, a coherent G-7 plan for economic stimulus, and perhaps negotiation for a new trade organization to replace GATT. The International Monetary Fund and the World Bank should be reformed to play a counter-cyclical role when the world economy is plagued, as it is now, by slow growth, high unemployment, and inadequate fiscal stimulus because so many of the larger economies are in fiscal difficulty.

An effort to restore global growth cannot

succeed without leadership and it can only come from the White House. President Clinton needs to raise his vision beyond the American economy to the world economy. He needs to explain to the American people more emphatically that America's own economic program cannot succeed unless exceptional steps are taken to make the entire world economy more healthy. He then needs to move beyond exhorting Japan to stimulate its economy or Germany to cut its interest rates. He must articulate a coherent vision of global cooperation and reform that can lift the world out of its current economic rut.

Now that the Cold War is over, Americans need a foreign policy that recognizes the new world before them. The path that America has followed since the fall of the Berlin Wall is understandable, but it is no longer constructive. A policy that tries to hang on to old privileges while pressing for greater economic advantage will inevitably give way to an approach that is increasingly nationalistic and narrow. That will not be the design, but it will be the result.

A policy that offers both more responsibility to others and more cooperation with others in the quest for lower political exposure and greater economic growth is consistent with Clinton's original campaign vision. It is also a policy that would help guide the American people through the difficult years ahead.



THE WHITE HOUSE
WASHINGTON

MEMORANDUM FOR THE PRESIDENT

94 JUL 25 P4:15

FROM: PATRICK J. GRIFFIN
RE: ARTICLE FROM SENATOR BYRON DORGAN
DATE: JULY 25, 1994

Attached is an article that Senator Dorgan would like you to read. He indicates that he has spoken to you about this article recently.

Leon/Graeen/GS
I wish we could
figure out how to get
the thing read

Cl Leon

THE VIEW OF YOU FROM THE HILL

BY JONATHAN ROWE

What really grates on people up here on the Hill, myself included, is the sanctimony and hypocrisy of the capital press corps, the way too many reporters fail to hold themselves to the same standards they expect of Congress. I don't say this as a defensive pol. I've spent a lot more time on the other side, as an editor of *The Washington Monthly* and a staff writer for *The Christian Science Monitor*. I also worked for five years with Ralph Nader, not a venue that encourages coddling views of Congress or of politicians.

Now, having seen Washington from both sides, I have to tell you: I generally have more respect for the pols. They have a tougher job, carry more responsibility, suffer more abuse, and do all this, for the most part, with much more grace than reporters. For all the defects of our democracy, they are accountable in ways that few in the media (or corporate business, for that matter) ever will be. I know there are some bad ones. But there are a lot more elected people in Washington trying to do a good job, honorably, than the media would lead you to believe. It pains me to watch these people get gang-tackled and torn to shreds by reporters who can dish it out but can't take it. It pains me just as much to see the cartoon version of Washington and power and of this fragile democracy of ours that emerges.

Reporters say that politicians should

Jonathan Rowe is a former journalist who currently works as a Senate staff member.

meet a "higher standard." I don't buy that. In a mass market democracy, the purity of the media may be even more important than that of our legislators. A George Will or Sam Donaldson or Cokie Roberts reaches a lot more people than your typical member of Congress. They have a lot more say in the public debate. If they are taking money from the very same interest groups that throng the halls of Congress, that corrupts the national debate no less than when members of Congress take the money. At least members of Congress have to disclose such payments. Journalists don't.

Name a perk that Congress gets skewered for, and chances are the media get it too. Free parking at National Airport? Not many reporters I know pay for their own parking. More likely they take an expense-account cab ride and get deposited right at the gate. Speaking of free parking, how about those choice spots that are reserved for reporters, complete with twenty-four-hour security from the capital police?

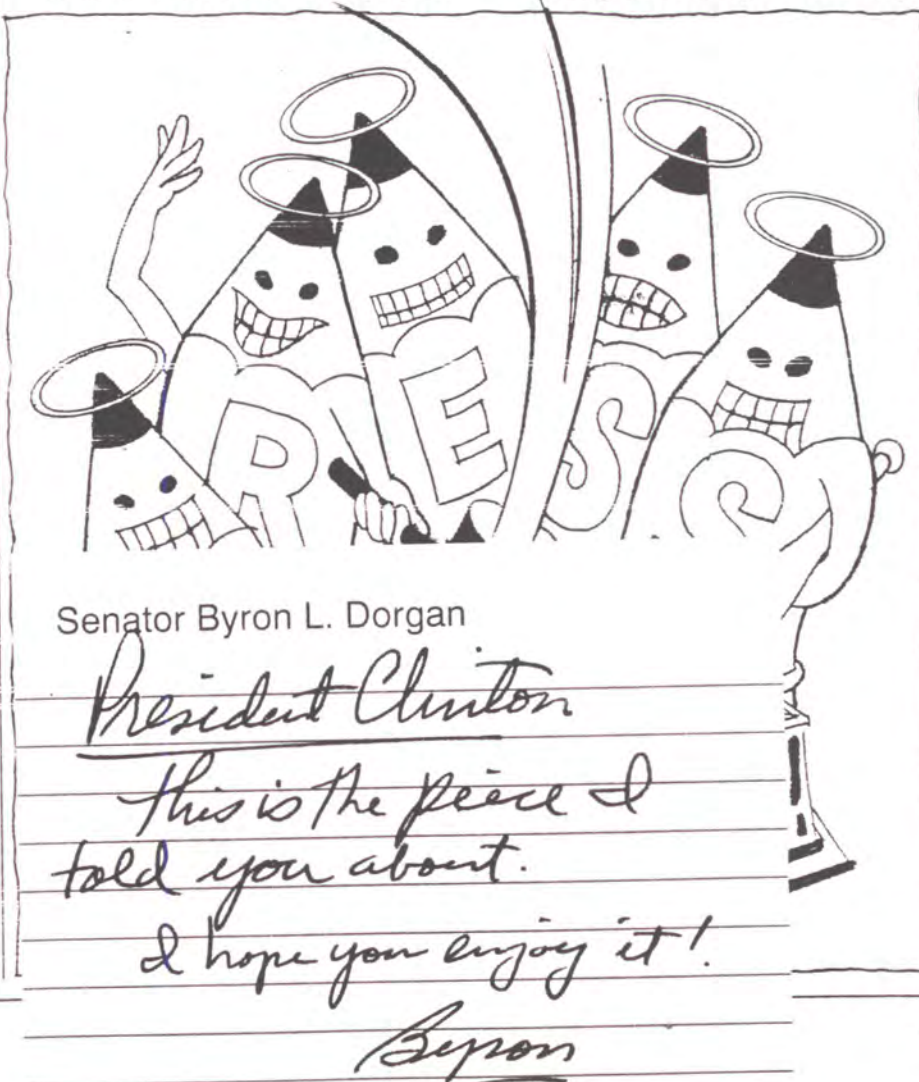
Junkets? What about the Olympics,

the Superbowl, the political conventions, or summit meetings in foreign capitals? It would only take about three reporters, total, to inform the public adequately regarding such events. For presidential vacations in Martha's Vineyard or Colorado, one would do quite well.

I once asked a newspaper editor why he bothered attending the conventions with a bevy of his reporters. Would they really learn anything that the 5,000 or so journalists there weren't already reporting? When I persisted in this line of questioning, he bristled. "Damn it," he said. "I'm going to the conventions."

I certainly don't want to poop on anybody's party. I just don't see why a congressman who visits, say, Geneva, is automatically assumed to be on a junket, while a reporter who spends a week in Geneva is assumed to be on grave reportorial business. (I won't raise the question of frequent flyer miles, since I am confident that all reporters give their miles back to their employers, who paid for them.)

Wining and dining? While major



bureaus here wage constant battle against the epicurean tendencies of their reporters, when the company is paying, in my office the typical senatorial lunch is a slice of pizza, or perhaps a bowl of chili. Another senator I know has popcorn and frozen yogurt just about every day.

Accepting "honoraria" from special interest groups? Big-shot Washington reporters have been accepting thousands of dollars from industry groups as honoraria for speeches for years.

Members of Congress and their staffs are subject to an ethics code that is talmudic in its complexity and petty detail. Members cannot accept honoraria or payment for articles. Staff can do so only under very limited conditions. (I'm writing this during an unpaid leave.) It's hard enough to suffer the media when they call Congress crooks. To see them shoveling it in from the very interest groups they accuse Congress of selling out to and then shuck and jive like a politician caught in a funny land deal, really sticks in the craw. When Hillary Rodham Clinton made her hundred thousand in the commodities market, she at least had to put up a thousand of her own. Journo-celebs like Sam Donaldson and George Will can make that much for a few speeches, risk-free, and all they have to put down are a few diet sodas.

Pay and perks are not the only matters on which elected people think journalists need to look in the mirror. Another is the question of spin. Reporters love to catch politicians spinning their way out of binds. Fair enough. But it takes one to know one.

People in public life know that journalists often have the story written, mentally at least, before they start reporting. They know when they're being set up, and they've all had the experience of being milked for quotes to fill in the blanks. When I worked for Ralph Nader, I got a call one day from a *Post* reporter who was doing a story on the household moving industry, which I had looked into for one of the Nader books. Still fairly new to Washington, and untutored in the game of fetch-a-quote, I thought he was looking for information. I answered his questions with long discussions on the structure of

I wonder if, deep down, reporters question whether they have what it takes to cut it in the rough and tumble of political life

the industry and so forth.

Finally, he broke in. "Look," he said, "would you say that ...", making the point he wanted me to make.

"Well, I guess you could say that," I said. He promptly ended the call. The next day I discovered that I had said pretty much what he had said.

Something very similar happens to members of Congress and their staffs on stories that get turned against themselves. They end up feeling mugged. I don't know a single reporter who looks forward to being interviewed for someone else's story. They know what the guy at the other end of the line is up to.

Connie Bruck's recent profile of Hillary Rodham Clinton in *The New Yorker* is a textbook example. It is also almost a clinical case study in the way reporters project onto people in public life the very traits they indulge in themselves. We learn, for example, that Hillary Clinton is a woman with an agenda. Bruck, the reporter, of course has none. We also learn that Clinton has a tendency to use people for her own purposes. Reporters don't use other people? In their working lives that's about *all* some do, as Janet Malcolm, another *New Yorker* writer, pointed out a few years ago. They enlist the subject's confidence, pump and cajole them for quotes, and cast them aside or else reward them with favorable mention if they confirm the reporter's thesis. What is Bruck doing with Mrs. Clinton, if not using her to advance her own celebrity journalist persona?

Bruck tells us Mrs. Clinton wouldn't talk with her. *She wouldn't talk with the press.* In Washington there is no sin more grave. You can be a scoundrel and a knave and get away with it as long as you say nice things about reporters and feed them stories. The question Bruck doesn't ask — reporters never do — is

whether any sane person in public life would relish talking about themselves to someone like her.

Reporters say they dwell on matters like congressional pay and perks and personal foibles because it is their solemn watchdog duty to do so. That's valid to a point. But there are other things at work too, and one of them is laziness.

Say what you will about government and Congress, they are open for all to see. Every congressional salary, every office expense, appears in a thick volume published twice a year. Digging up dirt here is a little like fishing in a hatchery. You can troll the public record and still have plenty of time to do *The McLaughlin Group*, free-lance pieces, and speeches to interest groups. By contrast, corporations and other private institutions are much tougher to crack.

The result is a lopsided picture of American life that has major political implications. If Americans heard as much about corruption and waste in the corporate sector, for example, as they do about Congress and government, then our politics might be a lot different. If a congressional salary of \$138,000 is excessive, what about the reported \$2.3 million salary of the chief executive of Bristol-Myers Squibb, or the \$12 million salary of the chairman of Equitable Life Insurance, which is almost enough to pay the salaries of the entire Senate. Those Harry and Louise ads would have a slightly different twist if people knew that insurance company chief executives frequently make over a million dollars a year, and that the industry can take an estimated \$15,000 from their customers' premiums to pay the likes of George Will to entertain them with a speech.

The intense competition for ad dollars and the fear of libel suits contribute to the press's tendency to focus on Congress and government instead of the private sector. But there's also a more subtle influence, one that is wrapped up in the strange social dynamics of Washington.

After almost two decades here, I perceive among some in the media a sense of superiority to people in public office. Dan Quayle was right on this point, though in a typically narrow and self-pitying fashion. It did annoy the baby-boom reporters that he was first of their

The question reporters never ask is whether any sane person in public life would relish talking about themselves to someone like them

generation to arrive at the White House. Quayle saw this in ideological terms, but it was much broader than that, as the fate of Bill Clinton suggests. Reporters today see themselves as generally superior to the people they cover — smarter, better educated, more discerning. At the same time I occasionally wonder if, deep down, they don't question whether they have what it takes to cut it in the rough and tumble of political life.

So *The McLaughlin Group* becomes a form of institutional revenge, as do presidential press conferences. The polls are, of course, legitimate targets of criticism, nobody would deny that. But the press seems to forget — seems *eager* to forget — that being a politician calls forth dimensions of character that journalism generally doesn't. Say what you will, these people have to face the voters every two or four or six years. They have to deal with angry constituents, rabid interest groups, reporters, and colleagues that they'd like to stuff in a trunk. They have to deal with a messy world in which the good is often the least bad, and they have to try to solve problems instead of just snickering at the efforts of others.

I'm not suggesting a return to the old see-no-evil days of Washington reporting. The point is not to be nicer to members of Congress. Rather, it's to judge them the way you yourself would want to be judged. It's to get the story — including the context in which it occurs. Attack-mode journalism has fed an impression that the only problem with Washington is a bunch of bums in office. This leads to a predictable story cycle. A new crop of reps arrives, greeted with fluttery stories about the bold new reformers who are going to change

the system. Then, a year later, come the tongue-clucking stories about how the system changed *them* instead. A year later the process starts all over again. Set them up, knock them down — and in the process ignore the problems in our political culture of which Congress is just one part.

The so-called House Bank scandal was a perfect example of gang-tackle journalism that misses the point. Few reporters bothered to find out how the system really worked. The fact is, most House members knew about as much about the House Bank as you and I know about ours. The typical "overdraft" was really just a gap of a few days between the bank's receipt of a check for payment and the rep's deposit to cover that check. Most of them didn't even know the lapse was occurring, because the bank never informed them — just as the rest of us aren't always aware of overdrafts unless our bank informs us. Had they known, they would have adjusted their check-writing schedules, and that would have been the end of it.

A few representatives really did exploit the informality of the system,

and those are the ones the media should have nailed. The House leadership, moreover, were the ones running this show. Because reporters didn't ask the obvious question — what did the typical representative actually know and what was reasonable to expect of him or her — everyone got tarred with the same brush, and "overdrafts" became a major issue in the 1992 elections. Good thing they weren't debating something frivolous, like health care or NAFTA.

The House Bank also showed how the media conveniently overlook their own role in a story. Few reporters pointed out, for example, that one group besides House members was able to use the bank. This was members of the media, who were able to cash their personal checks. True, they couldn't keep accounts there — essentially the bank was really just a payroll office. But the check cashing was no small perk. It saved them walking several blocks in the Washington heat and waiting at the ATM machine with the hoi polloi.

Just think what story a Washington reporter could make out of that! ♦

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The Mafiocracy Takes Over

By Nikolai Zlobin

WASHINGTON
One morning in April, my wife called to tell me that our apartment in Moscow had been robbed. Everything was taken, including threadbare clothing and wedding rings. Just the day before, my wife had returned from America with many expensive things — a video recorder, a camera, clothing and jewelry.

There is no doubt that her trip from Sheremetyevo International Airport to our apartment was followed by professionals. Most serious crimes in Russia now appear to be masterminded in this way, and the situation seems increasingly hopeless. While the police were making a list of our stolen possessions, they were called three times about murders in the vicinity. They were in no hurry to respond.

Human nature is such that even hearing every day about crime and corruption, we can still think, "This doesn't concern me." Most Americans, reading reports from Russia about political murders, theft, explosions on the streets are not really moved. But we should all be concerned because Russia's future may be at stake.

As if in Dante's inferno, Russian crime appears to be organized into three large circles.

The first is characterized by street fighting and gangsterism. Russians run up against such crime nearly every day. According to a survey this year by Public Opinion, a Russian polling organization, 91 percent of Muscovites experience fear in their daily lives, while every third resident of the capital has been in a life-threatening situation within the past year.

The victories of Vladimir Zhirinovskiy's Liberal Democratic Party and of the Communists in last December's parliamentary elections were not surprising: Mr. Zhirinovskiy's contention that social problems must be dealt with by force is welcomed by many, who fondly recall safe streets and homes during the period of Communist rule.

The second circle of crime is made up of well-organized groups who aim higher than street robberies and burglaries. They trade in arms, narcotics and raw materials like plutonium and copper at home and abroad. These groups are not interested in economic and political stability. Anarchy is the key to their success. They want nothing more than a fast return on their investments.

These operators often employ the common criminals of the first circle. They also buy the support of low- to middle-rank officials, who as a rule have good relations with the police. Although organized crime isn't monolithic and clashes between various groups exist, a common language of thieves occurs among the new business entrepreneurs, the traditional criminal world and the bureaucracy.

Is it possible to end this escalation of crime? How?

More and more people believe that the solution may involve a third circle of criminals: a network of shady high-rolling entrepreneurs — often referred to as the Russian mafia — in league with corrupt officials who are genuinely interested in evolution toward democracy and a free market economy. Although this group might sometimes employ the services of the other two,

Nikolai Zlobin is visiting professor of history and political science at The American University. This article was prepared with the assistance of Timothy Scott.

their goals are very different.

Unlike members of the first two criminal circles, corrupt politicians and entrepreneurs are not interested in haphazard plundering of their country. Rather, they want to create an organized system from which they can control events and thus be in a strong position in the long run.

One principle of Stalin's hold on power was to replace regional leaders every two to three years. But Moscow no longer has that power; regional authorities now understand that their strength lies in their own

Crime bosses and corrupt leaders promise stability in Russia.

constituencies, and they depend on locally influential groups, including the mafia. Even intelligence and law enforcement agencies find themselves dependent on the cooperation of the local mafia-connected elite. Increasingly, Russia's political system is a democracy only insofar as it represents the interests of this elite.

When it comes to control of individual companies, the crime bosses' methods are simple but effective. They approach the director of a large business and suggest a more manageable and productive system that will provide everyone with certain guaranteed economic returns. For the director, noncooperation may mean unbearable operating conditions, refusals of credit, delays in supply, workplace accidents, missing payrolls — even death. Banking, transportation

and media organizations have all been infiltrated in this way.

Many fear that one or the other of the various mafia factions will soon gain access to nuclear weapons, a possibility that is greatly strengthened by the continuing decline of the central Government's control. In fact, they may already be close to doing so. Last week, Germany's national police agency confirmed that a small amount of weapons-grade plutonium seized in May near the Swiss border came from Russia.

In case Boris Yeltsin's team cannot control the situation, which is entirely possible, the United States should not rule out direct contact with those who could — the corrupt politicians who have the real power and regional support. In spite of their criminal connections, these politicians could be said to legitimately represent their regions and speak for the interests of their constituents. The U.S. would be unwise to restrict its lines of communication to the Kremlin.

Most Russians want continuing steps toward democracy and a market economy. They worry that to preserve his power President Yeltsin may move away from democracy and install a strict authoritarian regime. If he is not successful in consolidating power, he could break with the Constitution and turn authority over to the army.

But even the military leaders might well prove unable to put things back in order and would begin to look for a civilian government to whom they could return power. Again the question would remain, Who is able to control the situation, a situation that will undoubtedly become worse?

The fact is that in many ways control in Russia has already shifted to the new criminal network, which has replaced the old Communist structure. After a transition, as the new leaders and entrepreneurs establish

themselves, they would presumably have less and less need for violent tactics and more investment in controlling anarchy. Paradoxically, this network could eventually stabilize society and reduce street crime and help make a place for Russia in the new world order and in the international business community.

Russians are used to firm control from the top. If domination by a mafia bureaucracy offered a return to the relative order enjoyed by many under the Communist rule, many would embrace it.

As for the Yeltsin Government, it has not been able to protect me from criminals, nor punish them, nor compensate me for my losses. Should it now be able to count on my continued support and respect? □

Leon / Tala / Kutsa

- Fascinating

- Shows how

mess today

Be

THE PRESIDENT HAS SEEN

7/27/94

THE NEW YORK TIMES, TUESDAY, JULY 26, 1994

7/26

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE PRESIDENT

FROM: Carol H. Rasco

SUBJ: Waivers

DATE: July 24, 1994

94 JUL 25 AIO: 29

*7 walks in
right 1 again - then
leaves @ of the Calif waiver*

1/11
Ron
FLORIDA: Following my last message to you about the impending call Attorney General Reno would make to Governor Chiles, I had a call late Friday evening from Governor Chiles' DC staff member who said they are all VERY appreciative of the work of the White House. AG Reno called the Governor's office and not only told them she felt the matter could be closed by having a flat commission for the insurance agents, but that she would like to have Justice Dept. officials sit down with Florida's legal advisors to discuss the matter fully for one last time. Jay Peterson who serves as Chiles' legal counsel is to meet by midweek this coming week with John Hogan of Justice who is also formerly from Florida. The parties know each other, trust each other and fully recognize they are looking at legal issues, not policy issues. I have asked Bruce Lindsey to call Buddy McKay as a follow up to his discussions with Buddy last week to make certain Buddy is aware of these latest developments.

NINTH CIRCUIT: HHS has advised Justice they do not feel there is a need for an appeal. I have attached the HHS memo outlining the rationale. In the meantime, HHS is confident they have in this administration created the necessary record in granting waivers and on the broader issue of public notice in rule making/waiver granting, HHS has been working on that issue with NGA/others anyway. We will continue to monitor this situation to make certain it does not become a false impediment to timely issuance of waivers.

I will be giving you per your request a regular update on the waivers described on the "pending" chart in your briefing materials for the NGA meeting.

cc: Leon Panetta
Lloyd Cutler
Phil Lader
Harold Ickes
Bruce Lindsey
Marcia Hale
Joel Klein

*What about the
Calif waiver? Is it
needed? Should we
revisit?*



DEPARTMENT OF HEALTH & HUMAN SERVICES

Office of the Secretary

Office of the General Counsel
Washington, D.C. 20201

July 22, 1994

TO : Kevin Thurm
Chief of StaffThrough: ES Clarke 7/22/94

FROM : Deputy General Counsel

SUBJECT: Beno v. Shalala - Whether to request rehearing

The Ninth Circuit Court of Appeals has decided Beno v. Shalala, which involved a challenge to the Department's 1992 approval of a welfare demonstration project pursuant to Section 1115 of the Social Security Act. Reversing a trial court, the appellate panel held that, under the facts of this case, the Department could not legally grant the waivers needed to implement the proposed demonstration in the absence of an adequate documentary record to support its decision. While the discussion in the opinion is broad-ranging, the actual decision is quite narrow. Specifically, the court held that because of the importance of the objections raised by critics of the demonstration and the "extraordinarily sparse administrative record" the Department must review the proposal further.

A request for a rehearing of this decision, either by the panel that decided the case or en banc by the full Ninth Circuit, must be made by Wednesday, July 27th.

The following reasons argue against requesting further review:

1. There is no basis for seeking a review only by the panel that decided the case. There are no issues that we could raise that were not addressed in the decision.
2. Successful requests for hearing en banc generally require a strong factual case, where the holding of the court raises important issues of law or the threat of significant harm to the losing party. The facts in this case may not meet this test.

Moreover, the precise legal holding is quite limited. It only requires the Department to create some administrative record to support its decision. To make a credible case for hearing en banc, however, DOJ might need to refer to the broad language in the decision and to characterize the decision as

11 having wider implications than a careful reading of the specific holding of the court would require. For example, it might be necessary to argue that the decision incorrectly requires the Department to develop an extensive administrative record supporting the approval of any demonstration. Filing papers that read the opinion broadly would be very undesirable since, if a rehearing is not granted, the Department would have made unnecessary concessions in this regard.

- * 3. Because the specific holding is narrow, the Department should be able to comply with the mandate without a substantial change in policies or procedures and without increasing the time needed to review applications.
4. In fact, the standards for waiver review specified by the court are similar to those already adopted by the Department in the Section 1115 Policy Principles adopted last August. The procedures specified by the court generally are consistent with Section 1115 Procedural Principles currently being considered for adoption by the Department.
5. There is a possibility that an en banc review could result in a decision that is adverse to the Department on issues that were argued before, but not decided by, the current panel.
6. Even if the Circuit just affirmed the decision, this could expand the impact of the decision.


Michael S. Wald

THE PRESIDENT HAS SEEN ^{7/26}

Bro Rubin

no matter how you
cut it, it comes back

E. J. Dionne Jr.

to this BZ

Hugh Price's Radical Alternative to Farrakhan

It's easy to sound radical. Bluster, hatred and accusation usually do the trick. But messages cast in these terms are usually not radical at all. They don't challenge anybody to do anything except smolder in resentment. They don't lead to change. By contrast, ideas built on cool reason and the possibility of action often sound moderate. But they can be genuinely radical in their analysis of what's wrong and of what needs to be done.

That is the what lies behind the important speech given on Sunday by Hugh Price, the new president of the Urban League, at the group's Indianapolis convention. Price's address will rightly get a lot of praise for his denunciation of antisemitism, his call for cooperation across racial lines and his insistence that while racism remains an important problem, it cannot explain all that ails the African American community. Many will also note Price's emphasis on personal responsibility and his call on African Americans who have made it to "tithe with our time and, more importantly, our money" on behalf of inner-city kids.

But if the praise stops there, it will miss a central point of Price's speech and the genuinely radical message that underlies it. Price is challenging complacency by arguing that there is a deep disorder in the American economy that is leading it to fail a large class of Americans—including many African Americans but also many others. Price argues that "the global realignment of work and wealth" is a "bigger culprit" than racism.

"Marvelous as the market economy works for

most Americans, it has all but collapsed for inner-city folk," Price declared. "There are fewer and fewer jobs for low-skilled workers, especially males. And the wages for those jobs that exist are just plain lousy, all too often at or below the poverty line," Price declared.

"Government invests lots of money in job training," he added, "but largely avoids the ideologically uncomfortable question of whether the market economy is actually creating enough jobs for everyone in the inner city who wants to or is expected to work."

Price offers the unfashionable but compelling view that if a lack of jobs is the problem, the government should consider creating "a new, labor-intensive public enterprise to perform services valued by the taxpayers."

"Critics of government jobs programs usually say it's the private sector's responsibility to create jobs," Price said. "I agree in principle. But when the private labor market comes up woefully short, as it does today in the inner city, then government must step in if people are to work."

To his great credit, Price is throwing down the gauntlet to both black separatism and white indifference. That takes courage, because neither side will really want to listen to all that he's saying. Maybe that's why his speech got so little publicity. You get more ink and television face time by linking up with Minister Farrakhan.

The problem with black separatism and black nationalism is that by defining the whole problem facing black America as involving an undifferenti-

ated white racism, it actually lets whites get themselves off the hook. Most whites aren't racist now in the sense that Bull Connor and southern segregationists were racist. Racism persists, but the barriers facing African Americans simply aren't the same now as they were 40 years ago. As Price said, "for millions of black folk who, thanks to the civil rights movement, have flooded into higher education, big corporations and their own mainstream businesses, these clearly are the best of times." Even liberal whites have begun to dismiss the "it's all white racism" explanation of inner-city troubles as inadequate.

Anti-white nationalism also plays a terrible trick on the oppressed. Farrakhan's antisemitism is a grave moral evil, as racism is also a grave moral evil. But antisemitism, like racism, is something else as well: It's a con job. Antisemitism asserts something utterly false—that "the Jews" are responsible for the suffering of African Americans—and thereby diverts attention from the real problems facing the inner city, those outlined by Price. As someone might have put it in the '60s, Farrakhan is playing the power structure's game. His message challenges no one. That's what was wrong with Ben Chavis of the NAACP giving Farrakhan a forum. In doing so, he helped legitimize a vision that's not only morally flawed but also leads nowhere.

Nationalism fails in another respect: If the problems of African Americans are defined solely in racial terms, then the solutions come down to new set-aside programs and the like. But "the

system"—the power structure, if you will—can easily accommodate a few more set-aside programs. The real challenge to the way the system works comes from Price: On behalf of the poor and the unemployed of all races, he is asking for much farther-reaching change.

That's what white Americans who may be cheering Price need to bear in mind. His is not a soft multi-racialism, but a hard challenge. He is challenging well-off white Americans to make changes in an economy that is working well for them is not working well for everybody. He is challenging well-off African Americans to a new engagement with the children of the inner city. He is challenging less affluent whites to see that the workings of the new economy give them a powerful shared interest with African Americans in social justice. And he is challenging the African American poor to fight the culture of violence and despair.

What's the alternative to Price's challenges? Farrakhan is gaining ground in the inner city precisely because of the level of suffering there. If advocates of multi-racialism do not offer realistic hope, all the denunciations of Farrakhan will be useless. As Julius Lester put it in the current issue of *Dissent*: "Farrakhan offers an ugly and hateful vision. It is no longer sufficient to express disapproval. It is time we offered an alternative. If we do not, we cede moral authority to those who, in their self-hatred, hate us all." The alternative Hugh Price is offering is that we help each other.

TUESDAY, JULY 26, 1994 THE WASHINGTON POST

SS

THE PRESIDENT HAS SEEN
7/26



CHIEF OF STAFF TO THE PRESIDENT
THE WHITE HOUSE

94 JUL 25 A 9:43

July 22, 1994

MEMORANDUM FOR THE PRESIDENT

FROM: Leon E. Panetta 

SUBJECT: Memorandum from Secretary of State
Warren Christopher

Chris provided the attached memo to me recently. I think it makes some good points and is worth your attention.

CO: UP
McLarty

THE SECRETARY OF STATE
WASHINGTON

July 16, 1994

EYES ONLY

Dear Leon:

Here is a quick-and-dirty summary of some of the points we discussed on July 15.

1. We should develop "30 month plan" for a foreign policy strategy to carry President through 1996.
 - long term approach; specific goals for each year
 - Task force approach; Chief of Staff participates
2. We should strive to have the President devote more "quality time" to foreign policy -- out of the crisis mode and with an eye to developing distinctive Clinton themes.
-  3. We should increase formal presentations by President on foreign policy.
 - make major address(es) on foreign policy soon
 - develop major themes around creating or renewing structures for the post-Cold War period
 - avoid informal photo op comments
4. We should stop foreign-policy-making by bureaucratic battles over "who pays."

The Honorable
Leon E. Panetta,
Chief of Staff,
The White House.

5. We should pursue 70/30 ratio on career/non-career ambassadorial appointments.

- alter process to minimize President's time
- seek diversity without compromising competence

6. We should streamline foreign-leader visits by limiting press conferences and lunches.

7. We should rejuvenate National Performance Review.

- State Department pilot projects promising

8. We should assess whether State Department budget cuts are impairing performance.

- especially when unexpected costs (conferences, White House projects) come out of our hide

9. We must demonstrate clarity of approach and discipline in performance.

Thank you for taking time for our discussion. You know you have my complete support.

As ever,



Warren Christopher

THE WHITE HOUSE

WASHINGTON

July 21, 1994

94 JUL 21 P2:00

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: ANTHONY LAKE
SUSAN BROPHY

SUBJECT: Suggested Reply to Senator Kassebaum

*Lader
Kassebaum
FW*

Purpose

To reply to Senator Nancy Kassebaum regarding the commemoration of the Warsaw Uprising of 1944.

Background

Senator Kassebaum wrote to you urging that the United States send a delegation to the ceremonies commemorating the Warsaw Uprising of 1944 and recommending that Professor Jaroslaw Piekalkiewicz be a member of that delegation. We have drafted a suggested reply for your signature at Tab A.

RECOMMENDATION

That you sign the suggested reply to Senator Kassebaum at Tab A.

Attachments

- Tab A Suggested Reply
- Tab B Incoming Correspondence

*~~Tab~~ - might be a good
gesture to send him -*

THE WHITE HOUSE
WASHINGTON

Dear Senator Kassebaum:

Thank you for your recommendation of Professor Piekalkiewicz for membership in the American delegation to the commemoration of the Warsaw Uprising of 1944.

Representative Meyers offered a similar recommendation and I have asked my staff to give careful consideration to Professor Piekalkiewicz as arrangements for this delegation move forward. I am pleased that Vice President Gore will lead the U.S. delegation. His presence underscores the importance the United States places on this historic commemoration.

I appreciate your interest in commemoration of this important event.

Sincerely,

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

The Honorable Nancy Landon Kassebaum
United States Senate
Washington, D.C. 20510

4846

068607

United States Senate

WASHINGTON, D. C.

June 9, 1994

Dear Mr. President:

First of all, I am writing to urge that the United States send a delegation to the ceremonies commemorating the Warsaw Uprising of 1944. Secondly, I urge that Jaroslaw Piekalkiewicz, a distinguished professor of Russian and East European Studies at the University of Kansas, be a member of that delegation.

I have followed closely the events surrounding the anniversary observance of D-Day. Especially moving were the memories and comments of those who had been part of that incredible invasion--and the reception they received on their return fifty years later. The Warsaw Uprising, too, was an expression of the human spirit and is, I believe, deserving of recognition.

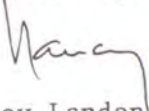
Professor Piekalkiewicz was not only a witness to the Uprising, he was an active participant. He offers his students unique perspectives on that turbulent time and they, in turn, hold him in high regard. We are fortunate that he has, for the past 31 years, made his home in Kansas.

In this anniversary year of so many turning points, the Warsaw Uprising stands out in singular significance.

After untold deprivation, hardship, and sacrifice, brave men and women and children said "no more" and challenged the German occupation of Poland. With little more than grit and determination, they held out from August 1 to October 3. Commemoration of the Uprising would today take place in a reborn capital of a reborn country. In a world where peace remains more a goal than a reality, there is value in recognizing the courage of brave individuals and in paying tribute to those who not only persevered but went on to build new lives of substance and meaning.

For many reasons, I believe we should send a delegation to Warsaw--and that Professor Piekalkiewicz should be a member. He would be a most worthy representative of our country.

Warmest regards,

A handwritten signature in cursive script, appearing to read "Nancy", with a long, sweeping underline.

Nancy Landon Kassebaum
United States Senator

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

5717

THE WHITE HOUSE
WASHINGTON

June 8, 1994

MEMORANDUM FOR WILLIAM ITOH

FROM: SUSAN BROPHY *SB*
LEGISLATIVE AFFAIRS

SUBJECT: CONGRESSIONAL MAIL

Attached are copies of letters sent to the White House from several members of Congress.

Since these letters address national security issues, I would appreciate your assistance in drafting a response. The letters are as follows:

- 1) Nancy Kassebaum (R-KS), urging the United States to send a delegation to the ceremonies commemorating the Warsaw Uprising of 1944, (sent June 9, 1994);
- 2) Harry Reid (D-NV), concerning U.S. nuclear strength and support for the Nevada Test Site, (sent June 10, 1994);

Thank you for your assistance. If you have any questions, please feel free to call LeeAnn Inadomi at x6-7500.

Enclosure

THE WHITE HOUSE

WASHINGTON

July 25, 1994

Ike's
Magazine

Copied sw

Comm
Cost. Univ by CBO
out-landed

MEMORANDUM FOR PRESIDENT BILL CLINTON
HILLARY RODHAM CLINTON

FROM: IRA C. MAGAZINER

SUBJ: THE SENATE BILL

There are four outstanding issues to consider discussing with Senator Mitchell relative to the bill he is drafting. We should decide whether to intervene with him and if so decide the best approach to do so. We would probably have to act today or at the latest, tomorrow.

1. The Type of Trigger

Senator Mitchell is thinking of an elaborate trigger mechanism that kicks in if a specific percentage coverage goal is not achieved. A commission makes a recommendation to Congress to achieve universal coverage. If Congress fails to act on the commission's recommendation, a 50/50 mandate automatically takes effect.

While we may have to consider a version of this eventually, it is probably wise to ask him to start with an automatic trigger as in the original Breaux and Conrad proposals. Under this proposal a mandate is automatically triggered if 96 percent coverage is not reached; and a commission mechanism to achieve universal coverage if 96 percent is reached.

- It makes clear that we are pushing for universal coverage.
- No Senators, in discussions with the President, have thus far made their votes contingent on a commission structure versus an automatic mechanism.
- Some moderates may want to modify what Senator Mitchell puts on the table before a vote, regardless of what it is. This allows us a fallback which could still be a hard trigger.

2. Cost Containment

The "Bradley" type cost containment measure that Senator Mitchell is contemplating

Health care premiums go up at a faster rate than wages and federal subsidies (whose growth is capped to protect the federal deficit), and thus affordability and coverage declines over time.

Further, the "Bradley" device itself is facing growing opposition from health insurers, Labor and consumer groups and may not be sustainable.

Senator Mitchell's staff understands the problem and is welcoming our advice. We will suggest either a mechanism to trigger to a version of a premium cap (with another name) if market forces fail to contain cost growth; or a mechanism that allows people to buy into a cost contained FEHBP program backed up by premium caps or price controls. Since the Finance Committee passed the Bradley tax and the Labor Committee passed the premium caps, the trigger to a premium cap proposal may be less radical a departure from Senator Mitchell's current thinking.

3. Phasing-in Children and Pregnant Women by 1996

The Mitchell proposal offers no programs until 1997 on coverage or insurance reform. We will propose, and believe he will be receptive to, a program to cover children and pregnant women so that real progress can be demonstrated by the end of 1996. In addition, we can take steps to insure portability of coverage for people with insurance who are at risk of losing it because they have pre-existing conditions.

We may also suggest slowing down other subsidies so that taxes which might be perceived as hurting people with current coverage and disruptive insurance reforms will not precede universal coverage by too long a time.

4. Multiple Triggers

Senator Kennedy has pushed a multiple trigger idea which phases in a 50/50 mandate for workers first and then triggers a full mandate at a later date. Senator Mitchell has been resistant.

We are developing options on how this might be done, which is based on the Hawaii and state of Washington models. We should decide whether we want to suggest this alternative to Senator Mitchell. Unlike the other three issues, this represents a major departure from his thinking.

Senator Mitchell has been thinking of transitional measures which can maximize coverage and make credible the idea that a trigger won't get pulled. If a trigger does get pulled, the transition Senator Mitchell's proposing would result in undoing a series of administrative structures and programs that no longer would be needed. The alternative phase-in like Hawaii or Washington offers a more orderly transition if one believes that we will end up with mandates.