

THU 01 SEP 04 19:53

FIG.02

THE WHITE HOUSE

WASHINGTON

August 25, 1994

94 AUG 25 P6:54

MEMORANDUM FOR THE ~~PRESIDENT~~

FROM: *[Signature]* Alexis Herman

RE: Health Care Reform Legislation

Per your request, on Monday, August 22, when you met with the CEOs who support universal coverage (the Letitia Chambers Group), you asked for a memo from Letitia reviewing the issue of streamlining health care that is the actuarial equivalent under the Federal Employees Health Benefit Act.

Please see the attached.

cc: Hon. Leon Panetta
cc: Hon. Harold Ickes

Attachment

AMH:RGM

Hicks/An
interesting letter
& need to do in
region -
83.

THU 01 SEP 04 19:54

FIG. 03



Chambers Associates Incorporated • Public Policy Consultants

1625 K Street, N.W.
Suite 200
Washington, D.C. 20006
(202) 857-0670
Fax (202) 857-0688

August 25, 1994

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

Dear Mr. President:

I enjoyed meeting with you this week along with several CEOs who support universal coverage. Jim Moody and I have been happy to help advance comprehensive health care reform legislation as we did earlier for passage of the economic plan.

I am writing, as you requested, to elaborate on the possibility of streamlining health care reform legislation by defining employer responsibility as a requirement to provide coverage that is the actuarial equivalent of coverage offered federal workers under the Federal Employees Health Benefit Act.

Discussion

Requiring all employer-provided health plans to offer a legislatively defined benefit package, which specifies the scope of services and level of cost sharing, would disrupt existing plan designs for virtually all who now have coverage. There is great diversity in the current marketplace among plan designs. Employers have chosen plans, or tailored them in the case of the self-insured, to meet the needs and desires of their specific work forces.

Some employers offer health benefit plans which have an actuarial value greater than the "standard benefit plan" called for by various reform bills, but most of these plans do not offer every single provision in the reform bills, notwithstanding their greater value. If legislation requires these firms to offer a specific mix of benefits, the employer will confront an unhappy choice between three possibilities: (1) offer such benefits in addition to the benefits previously offered and pay for them, which would raise the employer's cost; (2) offer the mandated mix of benefits but delete others to achieve cost neutrality, which could irritate employees (in some cases the employer may be prevented from doing this by the provisions of a collective bargaining agreement); or (3) offer such benefits in addition to the benefits previously offered and require employees to pay for the new benefits. (This would anger employees since they would have to pay for the added benefits as a condition of getting their previous benefit package).

Page 2

These problems will be exacerbated by the provision in some of the bills which requires identical co-payments for all services offered. For covered individuals, this again will result in changes in their out-of-pocket costs, which will go up for some services and down for others. For the employer, it will limit flexibility of plan design and take away a valuable tool used to contain costs.

Solution

There is a simple solution: legislate the value of the package, not the mix of benefits.

All employers providing health plans that are at least equal to the actuarial value of the benefits package provided by the Blue Cross/Blue Shield Standard Option package, as offered under the Federal Employees Health Benefit Plan in effect in 1994, could be deemed to be "certified plans". Employers providing such plans should then not be subjected to extensive new obligations such as specifically required benefits, uniform contribution and aggregation rules, which providers they must contract with, and other similar restrictions. Comparison between plans to determine actuarial equivalency is a commonly used methodology, so extensive new regulations would not be needed to implement this standard.

Moving to this actuarial equivalent standard will provide flexibility and more choice of coverage for employers and employees, cause less disruption of existing plan design, and facilitate acceptance by the vast majority who are satisfied with their existing benefit plans. Plan participants will be assured of high value health care coverage with flexibility to tailor benefits to needs, and employers will not be burdened by excessive regulations and requirements.

This approach will also eliminate the potential for a serious unintended consequence if, as some fear, the broad definitions of required services in the bill are interpreted so as to require significant expansions of benefits and cost for those now covered. In the absence of a mandate for all employers this would create a disincentive to purchase coverage.

The actuarial equivalence standard also offers a politically attractive compromise. Variations on actuarial equivalence have been proposed by politicians as diverse as Senator Kennedy in his "Minimum Health Benefits for All Workers Act of 1987" (S.1265), House Minority Leader Michel in the bill he introduced last year, and others, most notably the recent proposal by the Mainstream Coalition.

Other Business Concerns

Employers who currently offer coverage to their work force, and therefore pay for most health coverage in this country, were very favorable to comprehensive reform in the beginning. The reasons so many have pulled back is that in the current context they see requirements that they:

THU 01 SEP 04 19:55

PG.05

Page 3

- expand the benefits they offer (while many employers are not required to offer anything);
- pay new taxes that are not broad based but targeted only to them (premium taxes, taxes on high cost or high growth plans, limiting deductibility);
- lose multi-state employer protection under ERISA, subjecting such employers to extensive regulation by 50 states;
- face excessive new regulations affecting plan design, reporting, and administrative requirements which are unnecessary and in many cases will make cost containment more difficult.

At the same time, the provisions they most want to see in the bills are under attack and may not survive. These include:

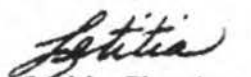
- 1) an employer mandate;
- 2) broad-based financing (as opposed to new taxes that apply only to those who provide coverage);
- 3) early retiree provisions and prescription drugs for Medicare beneficiaries (which are important to unions, and aging and consumer groups as well as to large employers.)

The net impact of the Mitchell bill would increase costs by 10 to 15 percent for many large employers.

A new streamlined bill in the Senate could bring large employers back to the fold if it provides an employer mandate, ties benefits to the actuarial value of FHB, allows multi-state plans to continue to operate under ERISA, and eliminates unnecessary regulations, and if it finances prescription benefits and low income subsidies with cigarette taxes, no greater Medicare cuts than the Clinton bill, and a modest broad-based tax.

Again, I appreciate the opportunity to meet with you and will be happy to be helpful in any way possible.

Sincerely,


Letitia Chambers

LC:jvs



EXECUTIVE OFFICE OF THE PRESIDENT

COUNCIL OF ECONOMIC ADVISERS

WASHINGTON, D.C. 20500

THE CHAIRMAN

August 94 AUG 8 P5:20

MEMORANDUM FOR THE PRESIDENT

FROM:

LAURA TYSON

ROBERT RUBIN

SUBJECT:

Alternatives to Current Cash-Based Budget System

You asked for a discussion of whether the Federal government should adopt a capital budget in lieu of its current cash-based budget system. The Council of Economic Advisers led an inter-agency Working Group that discussed the feasibility of adopting a capital budget. The Working Group concluded that implementing a full-fledged capital budget for the Federal Government was undesirable at this time for both substantive and political reasons. Substantive concerns included: erosion of budget discipline, potential for budgetary manipulation, and the lack of certainty that Administration priorities would be treated favorably under a capital budget. Political risks included: reopening the Budget Enforcement Act (with uncertain consequences) and the possible perception of weakening resolve on deficit reduction.

The Working Group also developed four other budget alternatives (described below), all of which might serve to increase public investment while maintaining budget neutrality. One alternative would enhance the presentation of investment information in the annual Budget and would set a non-binding ("soft") target for Federal public investment. The group felt that this alternative shows enough promise for improved decision-making that it should be discussed in the context of the upcoming budget process. The other alternatives contemplate larger changes to the existing budget system and the group felt these alternatives could cause serious political difficulties for the Administration. Therefore, the group agreed that the Administration should not expend significant effort on any of these alternatives unless it were judged necessary to realize a major Administration initiative.

This memo summarizes a longer background piece written by the Working Group. The longer paper discusses at some length the theoretical and practical problems involved in changing from a cash-based budget system to a capital budget system. It also describes the five separate budget alternatives developed by the Working Group in detail and provides arguments for and against each alternative.

Summary of Background Paper Written by Interagency Group

The choice of budget method requires a balancing of multiple objectives: to measure and control the fiscal policy of the Federal Government; to allocate resources within the Federal Government; and to provide a public statement of the Administration's priorities. The current Federal budget is a cash-based system that records receipts when received and disbursements when made. The annual deficit (or surplus) is simply the difference between total spending and total receipts.

Some analysts claim that a shortcoming of the cash budget system is the identical treatment given to operating expenses, transfer spending, and government programs that can properly be termed "investment". These analysts argue that the current budget system imposes a higher political cost on public investment spending than on current consumption programs, because the entire amount of investment spending in a given year must fit under the discretionary spending caps for that year, even though an investment provides a stream of returns in future years. Other analysts claim that the current cash-based budget system properly focuses attention on the resource costs of all programs and ensures that the costs of current consumption programs are equated with the costs of all other programs, including those that may have future benefits.

A capital budget system separates annual investment spending from other government spending by dividing the operations of government into a capital budget and an operating budget. The operating budget measures the current costs of government programs, including the annual decline in the value of long-lived investment assets (measured by depreciation expense). The capital budget collects all spending on investment items, regardless of how they are financed. In general, a capital budget system envisions a balanced operating budget, with borrowing to finance net investment (total investment in excess of depreciation). The requirement of a balanced operating budget would be difficult to achieve. For example, depending on the definition of investment, the operating deficit in FY 1995 would be approximately \$140 billion.

If the federal government were to adopt a capital budget system, clear conceptual (and statutory) definitions of investment and depreciation would be required to help prevent "gaming" of the budget system by classifying any desired spending as "investment". Clearly, the determination of whether a specific spending item is a worthwhile investment would require a thorough cost-benefit analysis. Nonetheless, to the extent that adoption of a capital budget increases the ability of the federal government to undertake greater investment spending than would

occur under the current caps on discretionary spending, all investment spending would be made more attractive relative to spending on current consumption.

Any move toward some form of capital budgeting, including any of the last four alternatives described below, would raise many political challenges. In particular, proposing a major change in the current budget process would require modification of the Budget Enforcement Act, and this would involve considerable political risk. Moreover, there is no guarantee that adoption of some form of capital budgeting would ensure that the Administration's priorities would be treated favorably in the new budget process. For example, even rather broad definitions of investment would probably not encompass many of the Administration's investment spending priorities (specifically, certain human capital initiatives).

Working Group Alternatives

The five alternatives developed and discussed by the Working Group are:

- (1) Establish a "soft" (non-binding) target for public investment (as a share of total government spending or as a share of GDP) and enhance the presentation and analysis of public investment spending contained in the annual Budget.
- (2) Establish separate discretionary caps (firewalls) for operating and investment expenditures. These caps could sum up to the current discretionary caps or could be set to increase investment spending over time.
- (3) Break down the "firewall" between mandatory components and discretionary components of the Budget and permit use of savings or increased revenues to finance increased discretionary spending. Essentially, this alternative would permit "pay-as-you-go" increases in the current discretionary spending caps.
- (4) Establish a Lifelong Learning Trust Fund to support human capital investments and offset this fund by reducing other discretionary spending. The model for this alternative is the crime trust fund.
- (5) Modify the budget law to establish an operational capital budget with investment limited to physical capital. The requirement of balance in the operating budget would be phased in over time.

The Working Group analyzed a pure capital budget (Alternative 5) and rejected it on the substantive and political grounds mentioned above. The Working Group agreed that by emphasizing investment spending in the annual budget process and documents, Alternative 1 could improve the quality of decision-making by the Administration and the Congress and might increase public support for more investment spending over time. At the very least, this alternative was viewed as a "good government" choice consistent with the recommendations of the National Performance Review. Members of the working group had differing views about the advisability of Alternatives 2 through 4. In part, the differences reflected the lack of a specific policy goal that could be furthered by adopting one of these alternatives.

We would like to pursue these procedural budget matters with you further in the context of upcoming discussions on substantive budget issues in preparation for the FY 1996 budget.

THU 01 SEP 04 19:51

PG.02

THE WHITE HOUSE
WASHINGTON

August 24, 1994

94 AUG 24 P2:58

TO:

Mayor Jerry Abramson of Louisville

RECOMMENDED BY:

Marcia Hale *MCH*

PURPOSE:

To thank Mayor Abramson for his tireless efforts in support of the crime bill.

BACKGROUND:

Mayor Abramson came to Washington on August 17. He has been working closely with Senator Ford to gain the support of other Senators. The Mayor has personally made over a dozen phone calls to Congressmen and Senators asking for their support on the crime bill.

CONTACT PERSON AND
TELEPHONE NUMBER:

(502)574-3061
Gladys Smith, Secretary

ACTION:

Done

THE WHITE HOUSE
WASHINGTON

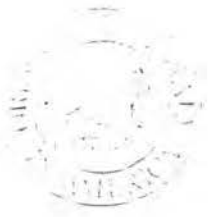
8/20

Alexis
Ricki

Of course, I'm for
doing this. What do
you think?

Podesta

c.c. Leon Panetta
Ann Stock
LISA CAUTO



National Office

Order Sons of Italy in America

219 E Street, N.E. • Washington, D.C. 20002
202/547-2900 • 202/546-8168 (FAX)

Authorized by the 227/995

Philip R. Piccigallo, Ph.D
National Executive Director

July 5, 1994

Mr. Benjamin Palumbo
President
Palumbo & Cerrell, Inc.
1000 Connecticut Avenue, N.W.
Suite 706
Washington, DC 20036

Dear Ben:

Re: White House Ceremony to Celebrate OSIA 90th Anniversary, April 1995

I can't thank you enough for your generous and commendable offer to assist me in efforts to arrange some sort of a White House ceremony, participated in by the President, to celebrate the Order Sons of Italy in America's (OSIA) 90th anniversary. As you, I firmly believe that such an activity would reflect positively on all involved, namely the Clinton Administration, OSIA, and the national Italian American community.

Background:

- June 22, 1995, will be the 90th anniversary of the founding of OSIA in New York City in 1905. The original charter of incorporation, recently discovered, is presently undergoing professional restoration.
- OSIA is the oldest and largest organization representing Americans of Italian heritage with approximately one half million family members in thirty-five (35) states. OSIA also has more than 800 local chapters.
- Ms. Joanne L. Strollo of Cheltenham, Pennsylvania, currently is the national president of OSIA. *She is the first woman to hold this position in OSIA history.* She will be national president until August 1995.
- On April 20, 1995, the Sons of Italy Foundation (SIF) will conduct its Seventh Annual National Education and Leadership Award (NELA) Ceremony at the National Press Club in Washington, D.C. As you know, the NELA is the SIF/OSIA's single most important public affairs activity, wherein some 10-13 scholarships are awarded to gifted young academics from around the country, selected through an independent process.

The 1995 NELA honoree will be Joseph Antonini, Chairman and CEO of Kmart Corporation. He is being honored for his exemplary role modelship and support of education (i.e., endowment of \$2.5 million Kmart Scholarship at West Virginia University; Chairman of "The Campaign for West Virginia University," wherein he's helped raise \$114 million).

Joe Garagiola will emcee the NELA Ceremony. Former U.S. Ambassador to Italy Peter F. Secchia will serve as Chair.

As the NELA takes place during an OSIA plenary session from April 21-23, 1995, *some 150 OSIA and SIF national leaders will be in Washington, D.C., at that time*, in addition to perhaps 200-250, or more, leaders of the Italian American community who will attend the NELA Dinner on April 20th.

Proposal

At some time during the OSIA Executive Session (Wednesday, April 19, or Friday - Sunday, April 21-23) the Clinton Administration would invite all OSIA Executive Officers, Plenary Session Attendees, and young scholarship winners (some 175 people) from throughout the United States to the White House (South Lawn, Rose Garden) for a ceremony commemorating the 90th anniversary of OSIA. We would also provide a limited list of leading Italian Americans from other national organizations.

President Clinton addresses the group.

Benefits to Administration include the opportunities to:

1. Commemorate a historical event.
2. Recognize the oldest and largest Italian American organization in the United States.
3. Highlight the leadership role of professional women, i.e., OSIA national president Joanne L. Stollo.
4. Underscore the administration's support of education. *Note: By that time OSIA/SIF will have exceeded \$20 million in scholarship funding since 1968 alone.*
5. Actually participate in the ceremonial signing of a facsimile copy of the original OSIA Charter of June 22, 1905.

The benefits to OSIA are obvious, most notably to use this opportunity to demonstrate a close and cooperative working relationship with President Clinton and the Administration.

Mr. Benjamin Palumbo
July 5, 1994
Page 3

Again, your support of this proposal and your help in forwarding it on our behalf is greatly appreciated.
Best regards.

Sincerely,

A handwritten signature in cursive script, appearing to read "Phil", written in dark ink.

Philip R. Piccigallo
National Executive Director

THE WHITE HOUSE
WASHINGTON

DATE: 8/20

TO: *MARVIN KRISLOV*

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

This looks fine.

John - The NSE
asked me to forward
this to you. I think
this policy reflects our
discussion last week &
am prepared to concen.
Let me know if ok w/
you. Thank you,
Maur

August 11, 1994

94 AUG 19 P12:06

ACTION

MEMORANDUM FOR ANTHONY LAKE

THROUGH: WILLIAM H. ITOH

FROM: BILL LEARY and ALAN KRECZKO

SUBJECT: NSC's New Access Policy

This is a decision memo to determine our new access policy so that we can respond directly to requesters in a manner consistent with the President's memorandum of March 24, 1994, and Will Itoh's memorandum of March 25 to Bill Leary. As you will recall, the President's memo directed you and Will to "establish procedures for continued access by the public to those NSC records previously transferred by one Administration to another for transition and continuity purposes" and "establish procedures for access by the public to appropriate NSC records of the current Administration."

Our new access policy should incorporate the following judgments and procedures. We have discussed these recommendations with White House Counsel and John Podesta, who concur.

1. General guidelines for review and release of NSC records created by a current or a former Administration are set forth in subparagraphs (a) and (b) below:

(a) Records Created by the Current Administration. The critical issue in setting release policy for current records is how to identify the records that will be subject to review for release, under FOIA-like standards. The recommendation below is designed to make our policy as consistent as possible with both the President's memorandum of March 24, 1994, and the Presidential Records Act (PRA).

All current Administration records would be subject to review for release except internal communications directed to or from the POTUS, APNSA, DAPNSA, and officials of White House offices that create solely Presidential records, including OVP, White House Counsel, NEC, OEP, and DPC. Records potentially subject to release, therefore, would encompass most electronic mail as well as all communications sent or received from outside the White House. Current FOIA standards would be used as a guide to review and make discretionary release decisions about those records subject to release. These discretionary standards would protect the President's prerogatives with minimal administrative burden.

Approve _____ Disapprove _____

(b) Records Left Behind by Prior Administrations. All such records would be subject to review for release (as is currently the case) and, therefore, would be searched in response to public requests for access. We would voluntarily apply current FOIA standards in determining which records, or portions thereof, to withhold. Thus, we would apply, voluntarily, the same standards we previously applied in making review/release decisions.

Approve ____ Disapprove ____

3. Procedural Details. Two procedural issues arising from our new policy also warrant attention:

(a) Appeals. We recommend continuation of a formal appeal process as a way of allowing NSC officials to reconsider a decision to withhold and to give requesters a second chance. We recommend that the Executive Secretary continue as the designated appeal official.

Approve ____ Disapprove ____

(b) White House Counsel's Review. Executive agencies are required to "consult" with the incumbent President through the White House Counsel's office before releasing any Presidential records. We should provide for a similar consultation, which could be performed by Alan Kreczko. In order to keep the process as simple and unburdensome as possible, the White House Counsel will authorize the NSC Legal Advisor or his designees to act in his stead.

Approve ____ Disapprove ____

THE WHITE HOUSE
WASHINGTON

August 19, 1994

MEMORANDUM TO JOHN DEUTSCH

FROM: JOHN PODESTA *JP*

RE: Attached

It takes twice as long, with twice as much work and twice as many headaches to clean up matters rushed in to the President than to do them right in the first place. Let's do better.

Leon Panetta

Fyi

John Podesta

8.19.94

THE WHITE HOUSE

WASHINGTON

August 19, 1994

ACTION

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE EXECUTIVE CLERK

FROM: ANTHONY LAKIE ✓
SUSAN BROPHY MBSUBJECT: Presidential Determination for a Disaster
Assistance Drawdown for RwandaPurpose

To authorize the drawdown of up to \$75 million in Defense articles and services for the purpose of providing disaster relief in and around Rwanda.

Background

On July 22, you signed a determination authorizing the drawdown of defense articles and services for disaster relief in Rwanda. We subsequently learned that Congress had not been consulted in advance of the determination. We also discovered a number of technical errors in the determination. As a result, we have redrafted the document which includes language rescinding the earlier version.

Your determination will authorize Defense to immediately transfer water trailers, tractors and other equipment to UNHCR for refugee relief operations in Rwanda.

RECOMMENDATION

That you sign the determination at Tab A.

Attachment

Tab A Presidential Determination

cc: Vice President
Chief of Staff

THE WHITE HOUSE
WASHINGTON

August 19, 1994

MEMORANDUM TO JOHN DEUTSCH

FROM: JOHN PODESTA *JOP*

RE: Attached

It takes twice as long, with twice as much work and twice as many headaches to clean up matters rushed in to the President than to do them right in the first place. Let's do better.

The Honorable John Deutsch
Department of Defense

*Send through Sit Rm
Dool/JCS Slot
S.*

THE WHITE HOUSE
WASHINGTON

August 19, 1994

ACTION

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE EXECUTIVE CLERK

FROM: ANTHONY LAKE ✓
SUSAN BROPHY SM

SUBJECT: Presidential Determination for a Disaster
Assistance Drawdown for Rwanda

Purpose

To authorize the drawdown of up to \$75 million in Defense articles and services for the purpose of providing disaster relief in and around Rwanda.

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Your determination will authorize Defense to immediately transfer water trailers, tractors and other equipment to UNHCR for refugee relief operations in Rwanda.

RECOMMENDATION

That you sign the determination at Tab A.

Attachment

Tab A Presidential Determination

cc: Vice President
Chief of Staff

THE WHITE HOUSE
WASHINGTON

THE DOCUMENT HAS BEEN

8/19/94

August 16, 94 AUG 17 P4:46

cc:

Mark
Dee Dee

MEMORANDUM FOR THE PRESIDENT

FROM: JENNY MCCARTHY
Acting Deputy Director of Correspondence and
Presidential Messages, Director of Agency Liaison

SUBJECT: CASEWORK OF INTEREST

THROUGH: JIM DORSKIND
Acting Director of Correspondence and Presidential
Messages

* { 1. Master Sergeant John Prewitt: Just last week, Air Force Master Sergeant William John Prewitt was murdered during a hold up at a 7-Eleven in Las Vegas, where he worked part time. After cleaning out the cash register, the robber shot and killed Sergeant Prewitt, a 37-year-old soldier with an outstanding military record and the father of five children. As the House of Representatives was voting down the Rule for the Crime Bill, Sergeant Prewitt's brother contacted the White House to ask for help in making it possible for his parents and siblings in Kentucky to travel to the funeral, scheduled for August 15 in Las Vegas. Agency Liaison worked closely with the Military Office, the Salvation Army, and the Red Cross to ensure that the family arrived in time and received lodging. The Southland Corporation, which franchises 7-Eleven, is offering a \$25,000 reward for information leading to the arrest of his murderer.

We have attached a suggested letter of condolence to his widow, Linda.

2. Theresa Casieri of Oklahoma: Ill and lonely, 67-year-old Theresa Casieri of Oklahoma City wrote to express her support for your efforts to reform health care. She suffers from diabetes, high blood pressure, and severe arthritis. After urging her to leave her hometown of Boston, Mrs. Casieri's daughter had since abandoned her, and Mrs. Casieri was unable to get her wheelchair fixed or obtain transportation to visit a doctor:

I am so sorry about the way things are going, for you, but when we get a good man in office, there is allways people out there, that are ready to tare them apart. ... Don't let them do that to you, keep up the good work, because you don't know, what we are going through here, with health care. ... I have thought many times, of ending it, and I am still thinking about it. [sic]

Susan Beveridge of this office contacted the Oklahoma City Area Agency on Aging, which in turn sent out a caseworker to visit Mrs. Casieri. Mrs. Casieri's wheelchair is now fixed, and the caseworker will continue to help her with her health care and transportation needs. Mrs. Casieri does not have a phone, but her caseworker told us how delighted and grateful she was for the assistance.

We have attached Mrs. Casieri's letter to you and a suggested response.

3. Carol Sebesta of Havana, Arkansas: Following the death of her husband, a former U.S. Forest Service employee, Carol Sebesta of Arkansas became overwhelmed by the process of filing for federal widow's benefits. The needed forms arrived late and the address on the forms was incorrect. She asked for your help in sorting out the paperwork.

Sue Smith of this office spoke with our contact at the Office of Personnel Management, and shortly thereafter, Mrs. Sebesta received help in filing for her benefits. Within weeks, her first widow's check arrived. In her thank-you note to you, she wrote:

I will always be grateful to you for your kindness and help. The Sebesta family supports you in every way, and we feel you are doing a great job in leading our country. My husband Charlie was a great supporter of yours and he would be so pleased to know that you have helped me.

I have attached Mrs. Sebesta's thank-you note and a suggested response.

THE WHITE HOUSE
WASHINGTON

August 16, 1994

THE PRESIDENT HAS SEEN
8/19/94

94 AUG 17 P12 : 29

MEMORANDUM FOR THE PRESIDENT

From: Mark Gearan *Wef*
Subject: Interviews and Off-the-Record Sessions

Pursuant to our conversation yesterday, I have prepared a summary of interviews and off-the-record sessions that we could conduct before you and the First Lady leave for a vacation later this month. To make this plan work, we would need approximately one hour each day between now and the time you take off. Most of that time would be dedicated to off-the-record sessions like the one last week, although there are some interviews as well. I would like to schedule as many of the off-the-record sessions after hours or over lunch so they allow you and the reporters a chance to talk candidly and free of the pressures of the day. Listed below are some of the sessions I would like to set up in the days ahead:

- **USA Today.** Print interview with the White House correspondents for USA Today on the eve of the second crime bill vote in the House -- to run the following morning. This would be an opportunity to frame the vote and characterize the battle between last Thursday and the second vote. USA Today has given the crime bill extensive coverage and been relatively fair -- with the notable exception of the editorial page.

Wef
Networks. Off-the-record session, perhaps lunch, with the network correspondents: Andrea Mitchell, Brit Hume, Rita Braver and Wolf Blitzer. The network correspondents may do more to shape the way Americans view your White House than anyone. Only rarely do they have a chance to sit down with you in an unstructured setting.

Wef
Wires. On-the-record sit-down with the wires. This could be done at a moment of some drama, perhaps immediately after the second House vote on the rule. We could call the wires in very quickly and let them capture your reaction to the vote.

✓
OK mid do
on up the rug lady

Radio. Radio call-in show with liberal, less well-known host, e.g. Judy Jarvis in Boston (syndicated through New England). This would be an opportunity to reconnect with radio audiences, drive home a health care or crime message and highlight some of the other talk show hosts that are plying their trade.

✓
OK
@ 9/10/94

Editorial Board. Ask a smaller version of the editorial board of the New York Daily News to come down for a session. The Daily News is the largest circulation daily that endorsed your candidacy, but has not sat down with you for an extended interview. Of the New York tabloids, the Daily News has given this Administration the most favorable coverage by a long shot.

✓
OK
3 at a time

White House Correspondents. Off-the-record sit-down with 3 or 4 of the more senior White House correspondents from the papers that are not within the top 5 in circulation, e.g. Carl Leubsdorf, Dallas Morning News, Susan Page, Newsday.

✓
OK

Media Critics. Off-the-record session with the reporters who cover White House reporting. This group is the most likely to help reinforce the argument that horse-race, process-oriented reporting has not given this Administration a fair shake. We could include Howie Kurtz, Washington Post, Tom Rosenstiel, LA Times, and Christopher Hanson, Seattle Post Intelligencer in such a discussion.

✓
OK

Washington Bureau Chiefs - Editors. Off-the-record sessions with the bureau chiefs who edit and assign reporters on the Hill and at the White House. This group is very influential, but rarely has an opportunity to see you, let alone talk with you. One group that might be helpful would be Andy Rosenthal, Deputy Bureau Chief for the New York Times, David Shribman, Boston Globe and Alan Murray, Wall Street Journal. We could also mix bureau chiefs in with veteran White House correspondents and pundits for a session.

Proposed Calendar
August 15, 1994
Page 3

- **Television Pundits.** Another off-the-record session with some of the television pundits who help define the Administration for the public. I suggest we focus on some of the pundits who have kept their distance but are usually fair. We might include Mark Shields of the "MacNeil-Lehrer New Hour," Ken Bode, the new host of "Washington Week in Review," and Cokie Roberts, "National Public Radio" and "This Week\k with David Brinkley."
- **Opinion Leader Columnists.** I would like to set up a few short interviews with columnists who are considering writing about how this Administration has been given too little credit for its accomplishments, e.g. Mort Kondracke, Roll Call, Jacob Weisberg, New York.

Please let me know if you have any thoughts or concerns about this proposal. I am ready to put it into action immediately. We have some time reserved on Wednesday, and I think it would be helpful to begin then.

THE WHITE HOUSE
WASHINGTON

Amor

DATE: 8/19/94



TO: Lee Ann, Pat, Rahm, George

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

FYI



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

August 18, 1994

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

Dear Mr. President:

We have been working for quite some time on arriving at a compromise on the crime bill that will command an overwhelming majority of votes in the House. We believe that the crime bill should not be passed by merely a vote or two along essentially party lines. We must pass a consensus crime bill and move together toward solving our Nation's serious violent crime problem.

We met with several representatives from the White House and the Justice Department today in order to reach such a compromise on a consensus crime bill. Specifically, we informed these representatives that a crime bill based on the following points could command a significant number of Republican votes:

First, delete the Brooks' provision for Lamar University.

Second, cut a minimum of \$3.5 billion from the social spending in the bill.

Third, in order to achieve this cut, we urge the creation of a block grant for the police funding and the social spending/prevention funding at approximately \$12 billion. Under this approach, states and cities could decide for themselves how best to use this money to fight crime. *

Fourth, prison funding must be set at \$10.5 billion (all from the crime reduction trust fund) for construction of new state prisons or boot camps only (no funding for alternative forms of incarceration beyond these two categories), with a truth-in-sentencing requirement based on the Chapman-McCollum language in the current bill.

* included in this: \$1.8 billion for Violence
Against ♀ Act

Other policy changes that we believe are crucial include:

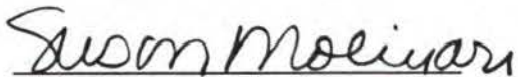
- ♦ Dunn/Zimmer sexual predators provision,
- ♦ Gekas death penalty procedures,
- ♦ Molinari-Dole provisions on evidence of prior sex offenses,
- ♦ Eliminate retroactivity in mandatory minimum sentencing reform for drug offenders,
- ♦ Gramm provision making a separate federal offense the use of a gun in committing a state crime, and
- ♦ Simpson provision on expedited deportation of criminal aliens.

Policy changes that we suggest include:

- ♦ Mandatory HIV testing in rape trials,
- ♦ Schiff provisions on treatment of juveniles, and
- ♦ Nickles provision mandating victim restitution.

We believe that if these changes are made to the crime bill, we can arrive very quickly at a bipartisan solution to the current impasse that will have a significant impact on reducing violent crime in the United States. We look forward to working with you toward this important goal.

Sincerely,



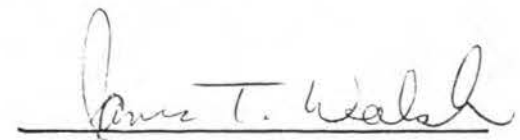
Rep. Susan Molinari
Member of Congress



Rep. Michael N. Castle
Member of Congress



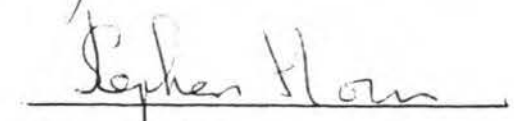
Rep. John Porter



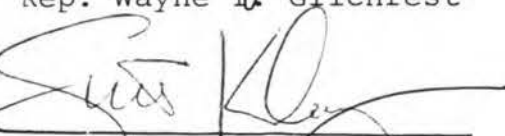
Rep. James T. Walsh



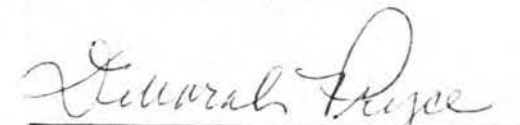
Rep. Wayne T. Gilchrest



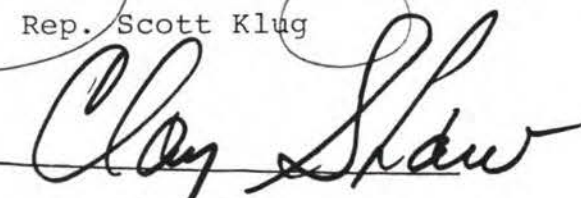
Rep. Stephen Horn



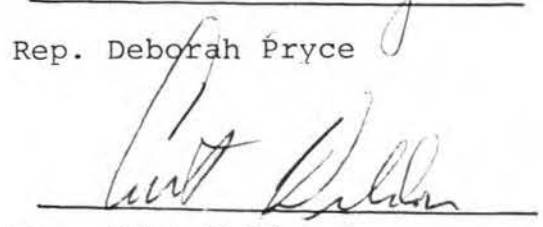
Rep. Scott Klug



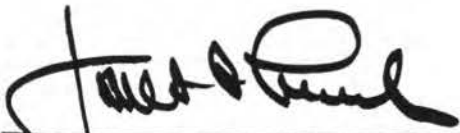
Rep. Deborah Pryce



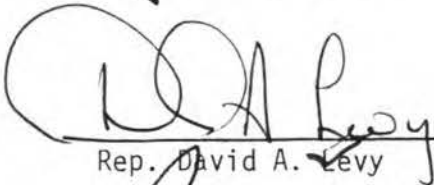
Rep. Clay Shaw



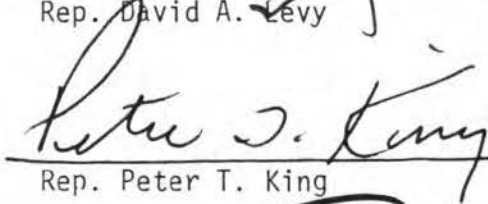
Rep. Curt Weldon



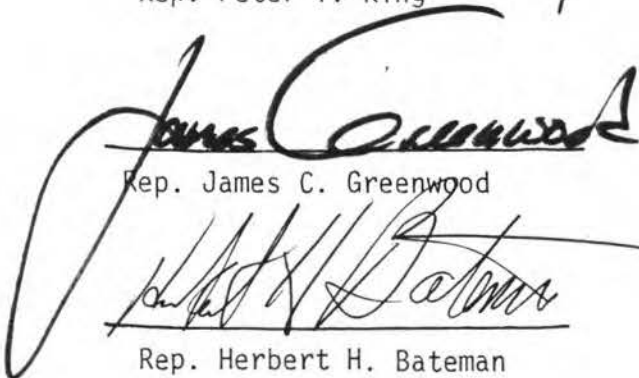
Rep. James A. Leach



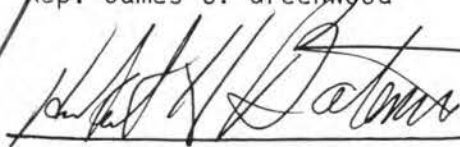
Rep. David A. Levy



Rep. Peter T. King



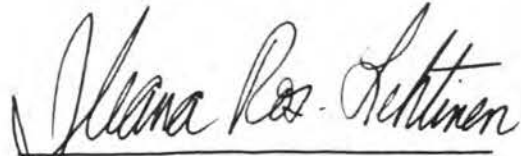
Rep. James C. Greenwood



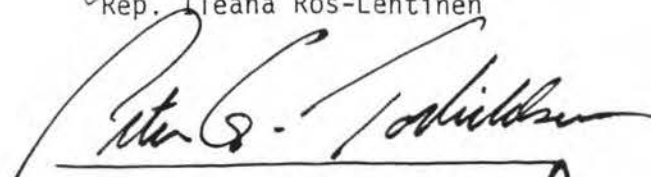
Rep. Herbert H. Bateman



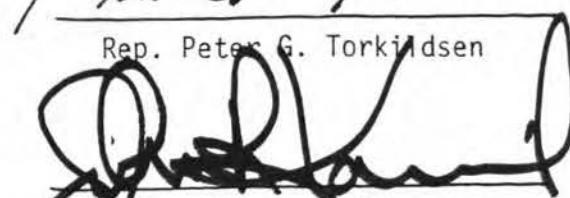
Rep. Dick Zimmer



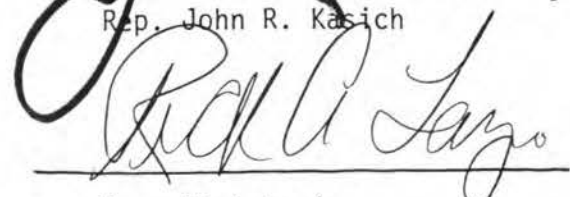
Rep. Ileana Ros-Lehtinen



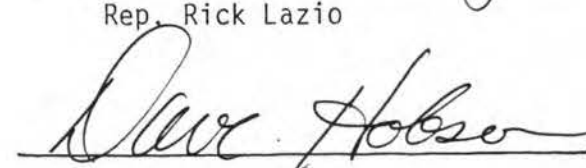
Rep. Peter G. Torkildsen



Rep. John R. Kasich



Rep. Rick Lazio



Rep. David L. Hobson



Rep. C. W. Bill Young

more signatures to follow
tomorrow.

THE PRESIDENT HAS SEEN

8/18/94

THE WHITE HOUSE

WASHINGTON

94 AUG 8 A10:56

MEMORANDUM TO THE PRESIDENT

FROM: HAROLD ICKES *HI*

RE: PHONE CALL TO OWEN BEIBER (UAW) AND MORTY BAHR (CWA)

I strongly recommend that today (Monday) you telephone both Owen Beiber (UAW) (313-926-5000) and Morty Bahr (CWA) (202-434-1110) to urge them not to walk away from Senator Mitchell's bill. You need to stress the fragile nature of the Senate around the "mandate" issue and the necessity of getting 51 votes on that issue in order to permit Gephardt to push through his bill in the House. This will form the basis for a stronger bill out of conference compared to where we will be if we have the mandate vote in the Senate.

Attached is a separate briefing page for each call.

cc: Leon Panetta

THE PRESIDENT HAS SEEN

8/18/94

~~44/700~~
~~This is concerning~~
~~with discussing in terms~~
~~of implications for future~~
~~actions — B.~~

In Africa, Planned Suffering

by David Keen

TWO years after the Ethiopian disaster comes the Rwandan catastrophe, and evidence, if it was needed, that Africa has still not shaken the sickness of famine and violence. The vast growth in spending on emergency relief has neither addressed the causes of humanitarian disasters nor insured effective aid for their victims. Probably nothing will change, either, until the world acknowledges that famine and violence are typically manipulated in a rational (if immoral) manner by those expected to benefit from them.

The scandalous inaction of international governments and the United Nations in Rwanda reflected a readiness to perceive the violence as "mindless," a product of "age-old tribal enmities." Such prejudice, combined with a focus on aiding refugees, has obscured the urgent need to constrain — and now to punish — members of a governing Hutu clique who cynically incited ethnic violence.

The international inaction has disturbing precedents. Elsewhere in Africa, donor governments have neglected the functions of violence and of famine itself, allowing the untrammelled manipulation of hunger. While Tutsis have simply been massacred, other groups have been starved.

Assaults on the food supply have become a key military strategy in Africa's civil wars. Governments have sought to deprive rebel movements of recruits, support and civilian "cover" by destroying local economies and forcing the exodus of civilians.

In northern Ethiopia, southern Sudan and north-central Mozambique, raids by Government forces and associated militias on food crops were supplemented by restrictions on commerce and relief shipments, forcing migration from rebel areas.

With governments and rebels competing for control of the people, the international agencies' habitual pleas that relief be "politically neutral" have repeatedly fallen on deaf ears. During the Ethiopian famine in 1984-85, the worst-hit province, Tigre, with a third of the affected population, received only 5 percent of the relief food. It was no coincidence that Tigre was a rebel stronghold.

In Sudan's famine in 1986-88, the region that suffered most, Bahr el Ghazal — again, a rebel stronghold — received less than 2 percent of the relief food. These distortions, partly attributable to the Government's intimidation of aid agencies and dishonest assessments of need, continue. In 1994, relief has been stymied by Government army advances, bombings of relief camps and bans on aid flights to camps near the Ugandan border.

In Mozambique, international agencies facilitated migration from rebel strongholds in 1990-91 by concentrating relief in Government-controlled camps; they said this was justified by human rights abuses by the rebel Renamo movement.

Famine is also a tool of economic engineering. In Ethiopia, the Government's denial of relief to the needy

David Keen, a research officer at Oxford University, is author of "The Benefits of Famine."

THE PRESIDENT HAS SEEN

8/18/94

THE NEW YORK TIMES, MONDAY, AUGUST 15, 1994

was meant not only to quell the rebellion but also to force hundreds of thousands of people to resettle farther south, where their labor was needed on state farms. In Sudan, depopulating the south has offered the prospect of access to oil there.

In many African civil wars, raids on livestock and grain have provided sustenance for poorly paid soldiers and unpaid militias, including those allied with rebel movements.

At the root of the famine in Sudan were raids by impoverished northern herders on the southern Dinka, seen as key rebel supporters. The Government, unable to afford a large standing army, provided these militias with arms, information, encouragement and effective legal immunity. As in Rwanda, Government responsibility

Famine and other unnatural disasters.

for attacks on civilians was disguised as "tribal anarchy." The resulting famine caused alarming death rates. But it had its winners — including the traders and army officers who helped finance and organize the raids. Selling expensive grain and buying cheap cattle, they restricted flows of grain to the famine region. Some northern farmers have used migrants as slaves.

So often associated with the desert, famine has also struck areas of rains and rivers, where there are resources to exploit. In Somalia, the fertile region between the Juba and Shebelle rivers was raided by former President Mohammed Siad Barre's troops as well as by competing clans. Tempted by the prospect of land-grabs and political spoils, merchants financed raids and backed attacks on relief shipments, deepening famine and boosting their profits.

The benefits of famine can also include access to diverted relief, a vital resource when much of the economy has been destroyed. In Somalia, extracting relief and "protection money" from aid agencies became big business. In Ethiopia, Sudan and Mozambique, relief became a key source of foreign currency to help finance war. Reports from southern Sudan, north-central Mozambique and UNITA-controlled Angola suggest that civilians have sometimes been rounded up and confined in the hope of attracting foreign help. Rwandan Hutu extremists are apparently hoping to rebuild their power base by cajoling refugees to stay in Zaire and by manipulating international aid.

While relief organizations may raise funds and gain justifiable satisfaction from nursing people back to health in controlled environments, they need to be aware of their role in this wider manipulation of suffering. That means taking seriously a corresponding obligation to speak out about abuses and provide aid in politically sensitive areas. Since private agencies often reasonably fear expulsion, the obligation of the U.N. and donor governments is particularly great. Yet they have typically kept quiet about abuses until media coverage has forced their hand.

In Ethiopia and Sudan, donors and the U.N. were conspicuously silent. During a peak in Sudan's 1987-88 famine, they turned a blind eye to militia raids, slavery, relief diversion and use of relief trains for military goods. The Government's "sovereignty" was seen as forbidding "interference."

By allowing the Government to hijack aid shipments, donors encouraged the rebel attacks on them. These attacks were then cited as "security obstacles" to aid to the south. Not for the first time or the last, the U.N. ignored internally displaced people in favor of a member government's interests. The talk, as earlier in Ethiopia and later in Somalia, was of drought, and sometimes of a war for which no one appeared responsible.

Proliferating militias make focusing aid more difficult and peace agreements more fragile. Yet with reduced superpower support and increasing economic austerity, governments under pressure may find the use of private militias to defeat political discontent particularly tempting.

As some elites turn to exploiting their own populations, it becomes doubly important to reduce the pressure of debt and austerity programs on African governments and to address the poverty, uneven development and crumbling state protection that create ready recruits for the resurgent militias. Channeling aid through local civilian institutions, as human rights organizations like African Rights have urged, can nourish alternative sources of authority to lure people away from the warlords.

But the first step is simply to recognize that some leaders are all too willing to use famine and violence for their own cynical ends. □

THE WHITE HOUSE
WASHINGTON

DATE: 8/18/94

NOTE FOR: Tony Lake

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

Information ☒

Action ☐

Thank you.

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

cc:

8/18/94

It's an Alliance. Not a Relic

By far the most worrisome aspect of American foreign policy—far more troubling than Bosnia and Haiti—is the progressive erosion of the Atlantic Alliance, for half a century the keystone of American diplomacy. It goes without saying that the disintegration of the Soviet empire, the retreat of Soviet armies and the unification of Germany require major changes in NATO structure and purpose. What is taking place is not adaptation, however, so much as decline into an empty shell and with nary a public discussion.

On three trips to Europe this year, President Clinton discussed the Alliance as if it were a relic of the Cold War. He defined its contemporary significance almost exclusively in relation to the Partnership for Peace which, in his view, is not about security but about reconciliation: to "use our military power to do something never before done in the history of the nation state on the European Continent: to unify truly free and independent nations of their own free will in a Europe that is truly free together rather than have some new and different divisions of Europe. . . ."

To use military power to unite nations of their own free will would, until our more enlightened time, have been considered a contradiction in terms—especially when the area envisaged is vast, covering most of the Northern Hemisphere: the Atlantic Alliance, the former satellite orbit, the successor republics of the Soviet Union, the European neutrals and, of course, Russia itself. Such a grouping is an altogether different animal from NATO and the European Union as heretofore conceived; it is in many respects contradictory to it.

Having been approved by the NATO Council, joined by Russia and a host of other Central and East European countries, the Partnership for Peace is now a fact of life. But it is not too late to prevent the Partnership from submerging the Atlantic Alliance.

The Partnership for Peace is a hybrid of the Wilsonian concept of collective security and of the Henry Wallace ideology of the 1940s—both of which reject the very concept of alliance. NATO was designed for security; its purpose was to resist a definable danger. The Partnership is designed not for defense but for reassurance. The joint military planning of the Partnership is an end in itself; it assumes no specific peril; it is undertaken bilaterally between NATO and each partner. But what common threat or purpose unites, say, Uzbekistan and Spain? The Atlantic Alliance assumed that its threats came from outside the treaty area, while the Partnership seeks to pacify threats within its area by affirmations of good intentions. This is what President Clinton describes as the truly new aspect of the Partnership: "for the first time all nation states really do respect the territorial integrity of one another."

The Wallace ideology of the 1940s resonates in the convictions of Deputy Secretary of State Strobe Talbott—the architect of the Partnership—who, as late as 1990, wrote that the Cold War had been unnecessary and that a more conciliatory Western policy would have ended it decades earlier. No wonder that the Partnership is based on the proposition that the extension of NATO to Eastern Europe is "provocative" and "divisive." The Partnership is in fact a replay of the Locarno Treaty of the 1920s, when Great Britain, eager to avoid an alliance with France, settled for a German recognition of the French frontier.

"The administration's Atlantic policy is creating two categories of frontier in Europe: those that are guaranteed are not threatened, and those that are threatened are not guaranteed."

The quest for novelty for its own sake makes it impossible to learn from history. Through most of its history, Russia did not so much challenge the borders of its neighbors as it sought to dominate these neighbors by pressure or blackmail. Recognizing borders, as the Soviet Union did at the European Security Conference of 1975, was not considered incompatible with maintaining the satellite orbit or insisting on the Brezhnev Doctrine claiming a right of intervention if Communist rule was threatened. Nor did Russia ever consider itself an exclusively European power. Bordering Asia and the Middle East, it was never prepared to submit its relationship with its neighbors—including those of Europe—to international decisions. And it has not interpreted membership in the Partnership to involve that obligation, as shown by its conduct in Azerbaijan, Georgia, Tajikistan and, most recently, Chechnya.

The breakup of the historical empire is perceived by many Russians as humiliating: the temptation to use an assertive nationalism for fostering unity is reappearing in a democratic Russia with respect to the "near abroad."

The truly novel aspect of Clinton's European policy is that it seeks to build the Atlantic area from East to West, reversing the architecture of the postwar period. But making Russia the hinge of America's Atlantic policy places an exorbitant strain on one of the most brittle nations. And it lures the United States into assigning a role to Germany which its leaders have not requested, which its circumstances do not favor and which unnecessarily wounds Great Britain and France. During his visit to Berlin, President Clinton called on Germany to assume a special responsibility for Eastern Europe and Russia in particular; he called the American relationship with Germany "unique" and "singular" because Germany had a more "immediate and tangible concern" with relations with Russia "even than our other friends in Europe."

Even to hint at a solitary and preeminent role for a country whose disasters have been caused by its inability to manage a purely national policy in the center of the continent is as disquieting to Germany's neighbors as it is to the architects of German postwar policy.

I have advocated the closest relationship with Germany since the founding of the Federal Republic in 1949. I have admired the constancy with which all of Germany's major parties have continued the legacy of the great Chancellor Konrad Adenauer—to seek a major German role not on a purely national basis but as an integral part of the Atlantic Alliance and of the European Union. And it is not without significance that, in responding to President Clinton, Chancellor Helmut Kohl—perhaps the wisest leader in today's Europe—specifically invoked that

tradition. The impact of a so-called "singular" German-American relationship on the rest of Europe—already uneasy about the impact of German unification—will be to foster separation of Western Europe from America, widespread fear in Eastern Europe and the isolation of Germany within Europe: in other words, quite the opposite of the administration's intent.

If present trends continue, NATO policy will become increasingly rudderless. Despite ritualistic assertions to the contrary, the administration's Atlantic policy is creating two categories of frontier in Europe: those that are guaranteed are not threatened, and those that are threatened are not guaranteed. The result is a gray area in Eastern and Central Europe that the nations affected find severely disquieting and that can only tempt dangerous tendencies.

The nations of Central and Eastern Europe are joining the Partnership for Peace because they see it as a steppingstone into NATO. Russia is joining to drain NATO of content, as is evidenced by various Russian proposals amounting to a veto over NATO decisions. Thus, when America's leaders imply to Poland that NATO membership is just around the corner and to Russia that it can participate in any security arrangement open to its former satellites (in other words, join NATO eventually), confusion (and worse) is inevitable when the promissory notes fall due. In any event, the prospect of Russia's eventual membership in NATO removes NATO as a safety net against rogue tendencies. For NATO is designed to defend its members against threats from outside the NATO area, not against threats from other NATO members.

A coherent Atlantic policy has two requirements: to infuse the core Atlantic Alliance with a new sense of direction (including settling its membership) and to separate the activities of the Partnership organizationally from those of the Alliance.

An administration that so frequently invokes the need to enlarge democracy should not be so reluctant to give a new impetus to America's relationship to the countries with institutions most compatible with ours—the Atlantic democracies. We should remember that our NATO allies stood with us in the Korean War, the Cuban missile crisis, the Gulf conflict and even now have troops in

Bosnia. While ethnic conflicts and religious fanaticism are rising, and new power centers are emerging, it is reckless to hollow out the security institution that has worked on the whole successfully for half a century. And it is hard to believe that these democracies should be unable to generate more meaningful common purposes than the empty military programs of the Partnership.

Until the question of membership in NATO is settled, the revitalization of the core Atlantic Alliance will languish. The Partnership served a useful purpose in opening a discussion of NATO expansion. But further delay invites Germany and Russia to fill the vacuum between them either unilaterally or bilaterally—a contingency everyone in Europe, Germany above all, seeks to avoid.

At the same time, so long as NATO and the Partnership are merged organizationally, it will prove very difficult to define common objectives for the core Alliance. Twenty-two nations have already applied for membership in the Partnership; scores are eligible. Each nation is supposed to come up with its own program of bilateral cooperation with NATO. No one familiar with how NATO operates can believe that, as now constituted, the Alliance bureaucracy can plan individual Partnership programs and simultaneously generate a creative adaptation of the Alliance itself to the new circumstances.

I agree with the administration about the need to integrate Russia into the international community. But since this is above all a political and economic challenge, NATO is not the best institution for that task. Russian membership in the political aspects of the G-7 meetings and participation in multilateral forums dealing with the Balkans and Korea are important. Bilateral consultations between Washington and Moscow will play a crucial role. The European Security Conference comprising all the nations eligible for the Partnership was designed for precisely this role. The Atlantic Alliance was not. Why destroy the safety net when forums for reconciliation already exist?

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

THE WASHINGTON POST TUESDAY, AUGUST 16, 1994

Bony → This of course is the potential hazard of our course — 51



THE WHITE HOUSE

WASHINGTON

8-18-94

Dear Harry

I read your piece on NATO and
the importance of settling the membership
question. I certainly don't want to make
it a NIE —

So who should be in, who should be
out and why? And what is the message to
third parties regarding those left out?

If the membership question is to
be settled, these matters must be
resolved. I'd like to have your thoughts.

Sincerely
Rufus C. Spaulding

THE WHITE HOUSE
WASHINGTON

DATE: 8/18/94

NOTE FOR: George S

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

Information ☒

Action ☐

Thank you.

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

cc:

69 - v. important
to save this BC

**ANALYSIS: GOP Criticism of Crime
Bill Takes Strange Turn (Washn)
By [redacted] Brownstein and [redacted] Ostrow=
(c) 1994, Los Angeles Times=**

WASHINGTON No one expects consistency in politics, but the last round of debate over the \$33 billion crime bill is beginning to resemble a hall of mirrors. On two key provisions, Republican leaders are attacking the final legislation with arguments the Clinton administration itself once raised and criticizing language other Republicans helped to write into the bill.

The Republican accusations that the legislation doesn't offer enough community protection against sexual offenders substantially echoes concerns the administration itself voiced months ago. And the provisions under attack from Republican leaders for potentially releasing convicted drug offenders from jail were drafted with the support of leading Republicans on the House Judiciary Committee over the administration's objections.

In both cases, the administration, in effect, is now under pressure from the GOP to adopt positions close to its own original preferences in the bill. But steering the legislation in that direction, on either front, risks angering liberals who rejected the administration's positions in the first place.

Moreover, on both counts, the administration views the Republican objections as exaggerating the impact of the disputed provisions: "The bigger flaw is that there are mountains being made of these molehills," said one senior Justice Department official.

Even so, the administration is willing to satisfy the GOP critics on at least the so-called "sexual predator" provisions. Rep. Dick Zimmer, R-N.J., said Tuesday night President Clinton had called to inform him that the administration would accept the changes in the measure that Republicans are seeking.

On the House floor last Thursday, a series of Republicans argued that the final legislation undermined efforts to encourage community notification when a sexual offender moves into a neighborhood after release from prison.

This emotional dispute revolves around the way the House-Senate conference committee blended two bills that aimed to encourage states to track the whereabouts of individuals with records of sexual offenses or crimes against children.

The first bill the so-called "Jacob Wetterling Act" sponsored by Minnesota Republicans Jim Ramstad and David Durenberger in the Senate encouraged states to establish a registry to keep track of individuals with a record of crimes against children; both Houses approved that measure. Last fall the Senate also passed an amendment to the crime bill from Sen. Slade Gorton, R-Wash., that established a second registry for offenders convicted of sex crimes against victims of any age.

The House-Senate conferees decided it made no sense to establish two registries for such offenders, and instead created one larger registry covering both groups of offenders.

But in combining the bills, the conferees took provisions from the Republican-sponsored "Jacob Wetterling" act in two key instances that were more narrow than the broader requirements established under the Gorton legislation. It is those provisions from the Gorton amendment that Republicans are now clamoring to include in the final bill.

In the Gorton bill, the so-called "sexual predators" would be required to notify law enforcement officials of their address every three months for the rest of their lives; the conferees accepted the Wetterling provision that required only annual notification for 10 years.

THE PRESIDENT HAS SEEN

8/18/04

More importantly to the critics, the conferees rejected language in the Gorton amendment to guide the release of information to communities about sexual offenders obtained for the new state registries.

(Begin optional trim)

As is often the case in polarizing Washington battles, the dispute boils down to an interpretation of a few words: The Gorton bill says information can be released to "protect the public"; the final bill (drawing on language in the Wetterling bill) says it can be released only for "law enforcement purposes."

Critics of the final bill maintain there is a large difference: that the standard of protecting the public would encourage officials to widely distribute information to a community where a sexual offender has located, while the standard in the final bill might impede such efforts.

In fact, administration and Congressional sources say, Rep. Don Edwards, D-Calif., and other House liberals did intend to narrow the Gorton provision's scope, fearing that it would lead to incidents like the recent case in Washington state, where a sex offender whose release was publicized under that state's disclosure law had his home burned down in the Seattle suburbs.

At the time, the administration took a position not unlike the GOP critics now: in its formal comments to the conference committee in June the administration expressed concern that the privacy provisions in the bills might interfere with state programs to disseminate information about sex offenders to "school authorities or victims of earlier offenses."

Even so, administration officials say they doubt the final bill represents as substantial a change from the Gorton version as Republicans contend: they note the National Center for Missing and Exploited Children has concluded the "law enforcement purposes" standard in the final legislation would not impede existing community notification programs in the states.

(End optional trim)

The struggle over mandatory minimum sentences for drug offenders has an equally convoluted history.

House Republican Whip Newt Gingrich of Georgia has repeatedly condemned the conference bill's provision that could lead to freeing low-level, non-violent drug offenders without serious prior records from lengthy mandatory minimum prison sentences.

"It would release over 10,000 drug dealers who are currently in prison," Gingrich said recently. "We are prepared to go to the country and say, 'Releasing 10,000 drug dealers is not anti-crime.'"

But two of Gingrich's fellow House Republicans, conservatives Bill McCollum of Florida and Henry J. Hyde of Illinois, voted for making retroactive the drug offender release provision Gingrich condemns. On the other hand, the administration opposed this feature, arguing instead that it should apply only to those who violate the drug laws after the bill is enacted.

Even so, the administration doesn't believe the provision would have nearly the impact Gingrich suggests. Based on federal prison statistics, the Justice Department estimates that between 100 and 535 prisoners could win immediate release. By 1999, the number would be between 2,000 and 3,000.

(Optional add end)

The notion of softening punishment of non-violent, minor drug offenders emerged as a compromise to proposals in the House to eliminate mandatory-minimum sentences entirely on grounds that they were using up scarce prison

CHRON
THE WHITE HOUSE
WASHINGTON

DATE: 8/18

TO: Ricki Seidman

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

Will you please respond.
Thanks

JDP



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

SECRETARY OF THE TREASURY

August 17, 1994 94 AUG 17 P5:21

MEMORANDUM FOR PRESIDENT CLINTON

FROM: Lloyd Bentsen *LB*
SUBJECT: Invitation to Participate in an Inter-American
Forum on Governance and Modernization of the
Democratic State

I am transmitting the attached invitation for you to address the forthcoming "Forum on Governance and the Modernization of the Democratic State" on behalf of President Enrique Iglesias of the Inter-American Development Bank.

The forum, co-sponsored by the Bank and the United Nations, will involve former Heads of Government from throughout the hemisphere, including President Carter, who will share their experiences in implementing social and political reform.

Although the forum will provide an opportunity to focus on Latin America and the work of the Inter-American Development Bank, I do not think it should be a priority use of your time. You are slated to attend the Summit of the Americas in December and I believe that is the occasion for you to highlight our national interests in the hemisphere. Your participation in the forum could diffuse the impact of that event.

Attachment



INTER-AMERICAN DEVELOPMENT BANK
WASHINGTON, D.C. 20577

PRESIDENT

CABLE ADDRESS
INTAMBANC

August 9, 1994

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

Dear Mr. President:

I have the distinct privilege of inviting you, on behalf of the Inter-American Development Bank, to address the "Forum on Governance and the Modernization of the Democratic State." This event, which is co-sponsored by the United Nations Economic Commission for Latin America and the Caribbean, will take place at Bank Headquarters, 1300 New York Avenue, N.W. Washington, D.C. on September 15 and 16, 1994.

The purpose of this meeting is to offer an opportunity for a public reflection by a dozen former heads of governments from Latin America and the Caribbean countries around the vital issues of the reform and modernization of the legal, institutional and political systems of the state and the democratic processes, and on the all-important links between the state and civil society.

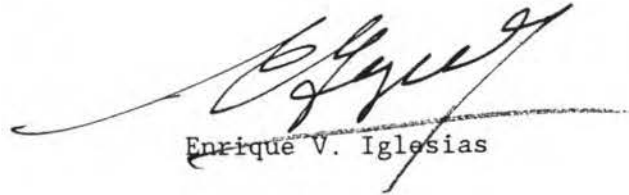
Democracy has flourished in the great majority of our societies, but the root causes of political instability are still present. Most of our distinguished invitees were directly involved with the difficult passage from authoritarianism to democracy, and we look forward to sharing their experiences on the urgency of implementing social reform and modernizing the state and the political process.

These themes and concerns are very much in keeping with those that you identified when you took the visionary action to convoke a Hemispheric Summit for December of this year in Miami.

. . .

As organizers of the Forum, we would be happy to accommodate your preference for addressing the participants as a guest of honor during the inaugural dinner on Thursday, September 15. If this is not possible, we could accommodate your participation at the inaugural session at 9:00 a.m., lunch at 1:00 p.m., or at the closing ceremony at 6:30 p.m. on Friday, September 16.

I look forward to your reply and take this opportunity to reiterate to you the assurances of my highest consideration.



Enrique V. Iglesias

THE WHITE HOUSE
WASHINGTON

DATE: 8/18/94

NOTE FOR: Joan Baggett

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

Information ☐

Action ☒

Thank you.

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

cc:

THE WHITE HOUSE
WASHINGTON

AUGUST 16, 1994

THE PRESIDENT HAS SEEN
8.17.94

94 AUG 16 P6:11

MEMORANDUM FOR THE PRESIDENT

FROM: MACK McLARTY

SUBJECT: SUMMARY OF ITEMS ATTACHED

- Memorandum from Joan Baggett outlining approaches to Lee Fisher fundraiser requests; your reaction would be helpful.
- Note on copy of your letter to Richard Arnold indicating that continued relationship with Richard helps with Walter Hussman.
- Note indicating that Secretary Bentsen has agreed to do a fundraiser for Jay Bradford in Little Rock on September 12.

THE WHITE HOUSE
WASHINGTON

August 15, 1994

MEMORANDUM FOR LEON PANETTA

From: Joan N. Baggett JNB

Subject: Lee Fisher Fundraiser Requests

I wanted to follow up on the attached memo from Mack suggesting we work in a Presidential trip to Ohio in the next few weeks for an event for Attorney General Lee Fisher. As indicated in his letter to the President, Fisher has requested that the President come to Ohio in September or early October. However, we currently have the Vice President confirmed to do an event for Fisher in Columbus on the evening of Friday, October 14 and, after taking a hard look at the President's block schedule for September and October, it seems that we really could not get him out to Ohio to do an event for Fisher any earlier than the weekend we already have the Vice President scheduled.

Since Fisher has also requested the First Lady to attend an event for him in Ohio, we believe we could have her fulfill that request and thus adequately cover our commitment to the Attorney General by having both the First Lady and the Vice President do fundraiser events for him in Ohio. We are also looking at sending the President to Ohio on Monday, October 24 to fulfill his commitment to Congressman Tom Sawyer -- at which time he could campaign for Fisher as well. If the President feels very strongly that he personally has to do a fundraiser, we would advocate him doing a luncheon fundraiser in Cleveland as he goes to Akron for Sawyer to do an afternoon town hall and evening reception. Please let me know your thoughts on this.

cc: Mack McLarty
Harold Ickes
Ricki Seidman

Aug. 16/54

Harold Ickes
Ricki Seidman

I think we
should offer her
offer letter
Oct 24th HRT HRC
going back
your earlier
but lower
himself
criticism
~~critical~~

Aug 16/84

John outlines several good
alternatives to Lee Fisher request.
Cowan reactions would be helpful
in analyzing pros and cons schedule pattern
~~Critique in Sept - critical Oct 7th.~~

THE WHITE HOUSE
WASHINGTON

DATE: 8/18/94

NOTE FOR: Mack

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

Information ☒ X

Action ☐

Thank you.

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

cc:

THE WHITE HOUSE
WASHINGTON

AUGUST 16, 1994

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THE WHITE HOUSE
WASHINGTON

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cc: Mack McLarty
Harold Ickes
Ricki Seidman

Aug. 16/54

President

John outlives severe grief

Agreements to the fishery resource.

Copy notes would be helpful

1.2 1. inf. b.s. plus ad Sept schedule entries

~~early 19th - early 20th~~ early 19th - early 20th? This + the 19th

THE WHITE HOUSE
WASHINGTON

August 3, 1994

Handwritten: Leon
Joan Baggett

MEMORANDUM FOR LEON PANETTA

FROM: MACK McLARTY

SUBJECT: REQUEST FROM LEE FISHER FOR FUNDRAISER

The President handed me the attached letter from Lee Fisher and said he feels he should do a fundraiser for Lee in the near term.

I fully realize that the President is prone to over-scheduling himself, but it was clear to me that he believes this is important. Thus, I feel we should give full consideration to working in a trip to Ohio in the next few weeks.

Attachment

cc: Harold Ickes
Joan Baggett

Handwritten: M. C. f



Attorney General
Lee Fisher

July 29, 1994

President Bill Clinton
The White House
Washington, DC 20500

Dear Mr. *Mr. President*

This letter is a very personal appeal to you as a friend and a colleague.

As we have previously discussed, I am in a very tough, difficult, and challenging re-election campaign. As the only statewide Democratic incumbent on the non-judicial ballot in Ohio, I find myself targeted by the Ohio Republican Party. As the three enclosed newspaper clips confirm, it is expected that the Ohio Republican Party and Governor Voinovich will funnel up to several million dollars into my opponent's campaign in order to defeat me.

I have had a number of encouraging discussions with David Wilhelm, Joan Baggett, George Stephanopoulos, and Paul Begala about the possibility of you coming to Ohio sometime before the election to be my guest of honor at a fundraising event.

I know that your priority must be the U.S. Senate and U.S. Congress, but looking to 1996, I hope you will agree that my race could be pivotal to a viable Ohio organization for you that year.

Most of all, however, I appeal to you on a personal basis based upon our friendship.

I look forward to hearing from you about the possibility of you coming to Ohio in September or early October. Thanks again. Best regards.

Thanks.

Cordially yours,

A handwritten signature of Lee Fisher, consisting of a large, stylized 'L' and 'F'.

LEE FISHER
Attorney General

P.S. Peggy and I are very mindful of your extraordinary schedule - but we hope you understand why we must make this urgent personal appeal given the difficulty of my race. You should also know that Peggy has sent a similar letter to Hillary. Thanks again.

cc: Nash

WHITE HOUSE
WASHINGTON

July 29, 1994

The Honorable Richard S. Arnold
Number Five
3901 Cedar Hill Road
Little Rock, Arkansas 72202

Dear Richard:

Thanks for your note of July 25. I really enjoyed our game and am glad you could join me. It was good to have a chance to visit.

Thanks, too, for all you said about what we've lately been through. We knew when I asked for this job that it would be tough and that some would fight us fiercely. You may very well be correct about the reason for the opposition's ire. In any event, it remains an honor to try to make a difference and a source of reassurance that people like you and Kay care about me and about what I'm trying to do.

Get those irons sharpened. See you soon.

Sincerely,

Trin

(played yesterday 7/31)
39-44 - blew the back
union.

POrus -

Modestly encouraging trip w.

Hussman. Continued relationship

w. Richard helps spot

Uof

POTUS - FYI

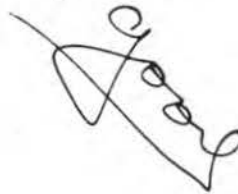
8/1/94

THE WHITE HOUSE
WASHINGTON

Mack ,

Kevin Varney Called to say that
Secretary Bentsen has agreed to do the
Fundraiser for Jay Bradford in Little
Rock on September 12th

Molly

A handwritten signature, likely "Molly", is written in cursive. A horizontal line is drawn above the signature, and a diagonal line points from the text "Molly" to the signature.

THE WHITE HOUSE
WASHINGTON

DATE: 8/18/94

NOTE FOR: Pat/Rahm:

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

Information ☒ X

Action ☐

Thank you.

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

cc:

THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS SEEN
8/18/94

AUGUST 15, 1994

94 AUG 15 P2:05

RECOMMENDED TELEPHONE CALLS

TO: DEMOCRATIC AND REPUBLICAN MEMBERS ON THE CRIME
BILL

Reps: ~~John Lewis~~
~~Charlie Rangel~~
~~Craig Washington~~
~~Mel Watt~~
~~Maxine Waters~~

Jim Chapman
Jimmy Hayes
~~Norman Sisisky~~
~~Neal Smith~~
~~Frank Tejeda~~
Ron Klink
Vika de la Garza

Lincoln Diaz-Balart
Ileana Ros-Lehtinen
Peter Torkildsen
Rick Lazio
Scott Klug
Ron Machtley
Ralph Regula

*Attn
New
Union*

DATE: August 15, 1994

RECOMMENDED BY: Pat Griffin

PURPOSE: To urge their support for the rule on the
crime bill.

BACKGROUND: Following are some suggested calls to
targeted Members on the crime bill. There
are both Democratic and Republican Members on
this list -- Democrats who can and should
support this rule and the Republicans in
moderate, suburban districts who also should
support the rule.

These calls are critical to gaining support
for the rule among key constituencies. It is
very important you be firm and direct with
these Members. They need to hear you ask
them, straight out, for their vote on this
rule. It was reported to us that Norm
Sisisky spoke with you the night before the
rule and he claims he would have voted for
the rule, if you had asked him directly.

TOPICS OF DISCUSSION
FOR THE CBC MEMBERS:

1. Stress how important this bill is to your Administration and health care, and the Democratic Party as a whole.

2. Some Members have said they are voting against the rule as a matter of principal -- in that case they are standing with convicted murderers and turning their backs on the kids in their districts who need the prevention money. We need to look beyond the criminal element and look to the kids who need our help now.

3. Urge them, as leaders of their party, and as Members who can support this rule in their districts, to protect the more vulnerable Members of their party (like an Unsoeld) who need the political cover to vote no. This is what it means to be a leader in the Democratic Caucus.

4. Even if they are philosophically opposed to some elements of the bill, they should not prevent the entire Democratic caucus from considering the bill. If they oppose the bill they should take time during the debate to lay out their arguments and vote no on the bill, NOT on the procedural move.

5. ASK THEM POINT BLANK IF THEY WILL SUPPORT YOU ON THIS RULE.

TOPICS OF DISCUSSION
FOR CONSERVATIVES:

1. This bill is important to the entire Democratic Party.

2. It is a fair and balanced bill.

3. Even if they are philosophically opposed to some elements of the bill, they should not prevent the entire Democratic caucus from considering the bill.

4. As a hunter yourself, you understand their concerns, but appeal to their sense of fair play on an issue that is of number one importance to the American public (CRIME) and ask that they let the bill come to the floor for a vote.

5. As you know, the conservatives are hoping to send this bill back to conference so they can get AWB removed. We should make it clear this is the bill and we need it now. DO NOT GIVE THEM AN OPPORTUNITY TO THINK WE ARE WAVERING ON THIS ISSUE.

6. PUT IT TO THEM DIRECTLY, WILL THEY SUPPORT YOU ON THE RULE?

TOPICS OF DISCUSSION
OF REPUBLICANS:

1. Stress the importance of banning assault weapons (everyone on this list supported the ban.)

2. This is not a partisan issue - this is an issue for America. The public wants and is demanding passage of this bill.

3. Let them know you understand the pressure their Republican leadership is putting on them to oppose the rule. Now is the time for them to exhibit greater leadership and do something good for the country.

4. ASK THEM POINT BLANK IF YOU CAN COUNT ON THEIR SUPPORT FOR THE RULE.

CONTACT PERSON AND
TELEPHONE NUMBER(S) :

Jim Chapman - 225-3035
Jimmy Hayes - 225-2031
Norman Sisisky - 225-6365
Neal Smith - 225-4426
Frank Tejada - 225-1640
Ron Klink - 225-2565
Kika de la Garza - 225-2531

Lincoln Diaz-Balart - 225-4211
Ileana Ros-Lehtinen - 225-3931
Peter Torkildsen - 8020
Rick Lazio - 225-3335
Scott Klug - 225-2906
Ron Machtley - 225-4911
Ralph Regula - 225-3876

ACTION:

THE WHITE HOUSE
WASHINGTON

DATE: 8/18/94

NOTE FOR: Craig Smith

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

Information ☐

Action ☒

Thank you.

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

cc:

THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS SEEN

8/18/94

August 17, 1994

MR. PRESIDENT:

Last fall, former Governor Ariyoshi requested that you name him Special Advisor to the President on U.S.-Japan Trade. After reviewing the request, Counsel's Office determined that such a title would subject Ariyoshi to all of the Administration's conflict of interest and financial disclosure requirements. In addition, the NSC felt that such an appointment would inappropriately associate your name with Ariyoshi's private business interests. A letter was prepared for your signature in January, but there is no record that the original letter was either signed or dispatched.

The current letter is based on Counsel's recommendation that Ariyoshi be considered for appointment to an appropriate board or commission dealing with U.S. - Japanese trade issues.

Paul

R. Paul Richard

*Craig - call Gary & tell him
what happened - action
involved some way - R.*

THE WHITE HOUSE
WASHINGTON

August 17, 1994

The Honorable George R. Ariyoshi
Watanabe, Ing & Kawashima
Hawaii Tower
745 Fort Street
Honolulu, Hawaii 96813

Dear George:

I recently received your suggestions for increasing sales of products and services in Japan, and I appreciate your offer of assistance.

I have asked Craig Smith in my Presidential Personnel Office to determine if there is an appropriate formal role for you in my Administration. I know that we could benefit from your perspective on these issues.

Thanks again for writing. I'm grateful for your involvement and support.

Sincerely,

R. Clinton

*cc.
Craig
Smith*

THE WHITE HOUSE
WASHINGTON

DATE: 8/18/94

TO: Mark and DeeDee

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

The attached has been forwarded
to the President.

075024

THE WHITE HOUSE

WASHINGTON

August 16, 1966 AUG 17 P4:46

MEMORANDUM FOR THE PRESIDENT

FROM: JENNY MCCARTHY *JM*
Acting Deputy Director of Correspondence and
Presidential Messages, Director of Agency Liaison

SUBJECT: CASEWORK OF INTEREST

THROUGH: JIM DORSKIND *JD*
Acting Director of Correspondence and Presidential
Messages

1. Master Sergeant John Prewitt: Just last week, Air Force Master Sergeant William John Prewitt was murdered during a hold up at a 7-Eleven in Las Vegas, where he worked part time. After cleaning out the cash register, the robber shot and killed Sergeant Prewitt, a 37-year-old soldier with an outstanding military record and the father of five children. As the House of Representatives was voting down the Rule for the Crime Bill, Sergeant Prewitt's brother contacted the White House to ask for help in making it possible for his parents and siblings in Kentucky to travel to the funeral, scheduled for August 15 in Las Vegas. Agency Liaison worked closely with the Military Office, the Salvation Army, and the Red Cross to ensure that the family arrived in time and received lodging. The Southland Corporation, which franchises 7-Eleven, is offering a \$25,000 reward for information leading to the arrest of his murderer.

We have attached a suggested letter of condolence to his widow, Linda.

2. Theresa Casieri of Oklahoma: Ill and lonely, 67-year-old Theresa Casieri of Oklahoma City wrote to express her support for your efforts to reform health care. She suffers from diabetes, high blood pressure, and severe arthritis. After urging her to leave her hometown of Boston, Mrs. Casieri's daughter had since abandoned her, and Mrs. Casieri was unable to get her wheelchair fixed or obtain transportation to visit a doctor:

I am so sorry about the way things are going, for you, but when we get a good man in office, there is allways people out there, that are ready to tare them apart. ... Don't let them do that to you, keep up the good work, because you don't know, what we are going through here, with health care. ... I have thought many times, of ending it, and I am still thinking about it. [sic]

Susan Beveridge of this office contacted the Oklahoma City Area Agency on Aging, which in turn sent out a caseworker to visit Mrs. Casieri. Mrs. Casieri's wheelchair is now fixed, and the caseworker will continue to help her with her health care and transportation needs. Mrs. Casieri does not have a phone, but her caseworker told us how delighted and grateful she was for the assistance.

We have attached Mrs. Casieri's letter to you and a suggested response.

3. Carol Sebesta of Havana, Arkansas: Following the death of her husband, a former U.S. Forest Service employee, Carol Sebesta of Arkansas became overwhelmed by the process of filing for federal widow's benefits. The needed forms arrived late and the address on the forms was incorrect. She asked for your help in sorting out the paperwork.

Sue Smith of this office spoke with our contact at the Office of Personnel Management, and shortly thereafter, Mrs. Sebesta received help in filing for her benefits. Within weeks, her first widow's check arrived. In her thank-you note to you, she wrote:

I will always be grateful to you for your kindness and help. The Sebesta family supports you in every way, and we feel you are doing a great job in leading our country. My husband Charlie was a great supporter of yours and he would be so pleased to know that you have helped me.

I have attached Mrs. Sebesta's thank-you note and a suggested response.

THE WHITE HOUSE
WASHINGTON

August 17, 1994

David Leopoulos
Five Christy Lane
Maumelle, Arkansas 72116

Dear David:

Thanks for your letter of August 13. It was good to hear from you about Korea and the crime bill. I'm hopeful that we'll pass it this week. I do wish I had the line-item veto.

You're right about tort reform, and you know I've never been one to shy away from a fight.

Hillary and I would be delighted for Linda, the kids, and you to stay with us during the reunion in October. Your idea about a little touch football is a great one, too!

See you soon.

Sincerely,

Bill

The crime bill can be cut some
but the prevention ~~to~~ money
helps police and community leaders
make up for missing parents —

The health care bill must do more
than these good ideas I won't sign it —
Most Americans don't know how
complex it is now — The proposal wouldn't
have govt ration care but would set a floor on family coverage together
primary and prevention care which saves money. Medical schools get



THE WHITE HOUSE

WASHINGTON

large federal subsidies to educate
doctors - Our proposal would gradually
increase subsidies for general practitioners
and decrease subsidies for specialists
— not amounts per student, but total
\$ within each category. That's because we
have enough specialists now to last
20 years or more but too few family
doctors to provide sufficient primary
care — Most countries have a 50/50 balance.
Our Med school graduation ratio is
more like 80/20 — We're also
increasing incentives to practice in
small towns and other underserved
areas — reward of your med school
course with a few years of service

August 13, 1994

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

Dear Mr. President,

Well, as usual I am very proud of you. Congratulations on your latest success in Korea. I know they must be tough to deal with. If they are coming around, that is great. Keep the pressure on and the good work up.

I was very upset about the crime bill. You were obviously bush-wacked. I hope you are able to salvage it. People all over America are very sensitive about crime. I heard there was a lot of pork in the bill. Is that true? Gee it would be nice if you had the line item veto so you could take care of that stuff.

To be honest with you, I am concerned about some of what I have heard of the health care bill. Of course I do not know if it is true, but if true bothers me. I did get a letter back from Ira M. he was very nice to write me. I did not get a direct answer on the issue of large government programs making decisions about who gets what health care and how many doctors can be trained in certain specialties. It still seems to me that hospitals and physicians are not having to compete for their customers. Their prices are not based on anything but what they feel they can get. They know they have a blank check from the Government and almost a blank check from the Insurance companies. It seems to me that tort reform is another biggie. Are you not going after it because the lawyers have too much power to stop it? It seems that the public would really be behind it if they knew how much money it would save when doctors did many fewer tests in order to cover their butts from our litigation crazy society.

A friend of mine had a great idea for you. When you talk about the 4.2 million jobs you have helped create this last year and a half you might put it into a form that many would relate to easier. You might say that that 4.2 million translates to 232 new jobs in each High School district in the country. To get that many new jobs created in the area that HSHS services puts things in better perspective. If the average family has three members in it that would affect 696 individuals, it would also mean that those people would be paying taxes for about _____, etc, etc.

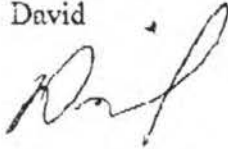
Well, our family hopes to come to the HSHS class of '64' celebration on October 9th. If we come it would be a good time for Linda and the Kids to stay at your house, if there is room. It will be the only time we could justify a family trip up there. During the Inauguration both CSPAN and CNN said to let them know when we played that touch football game on the White House lawn, that they would like to cover it. I hope we can have a good game that weekend. I certainly don't care if the press is there, but I thought you might be interested in it to let the public see a personal side of you they don't often get to see. You with your middle class friends living a little

Cavlyn said
HNC okayed

cc
OKC
okay
Pres. - 4/14
okay
you
Joe: C.
Haber

bit of the past and keeping intouch. Either way, I can't wait to catch one of those Clinton passes. I don't think Cecil can cover me. I thought about 8 or 10 classmates in a touch game on the back lawn with your White House Lawn football I gave you. Just a thought !! Phil, Jim, Ronnie, Dunham and a couple of others. The wives could fill in when possible.

David

A handwritten signature in cursive script, appearing to be 'David', written in dark ink.

FAX FORM

FROM



Page 1 of ____

To: PRESIDENT Bill Clinton

Fax: _____

From: DAVID
Paul LeopoulosRE: Personal LetterMessage: Kelly - Hi. How are
you. HAVE A good dayDAVID

cc Allen
sum
M: Willett
B. *de*

cc B Rubin

THE WHITE HOUSE
WASHINGTON

August 17, 1994

Michael D. Granoff
President
Pomona Capital
28th Floor
605 Third Avenue
New York, New York 10158

Dear Michael:

Thanks for your letter of August 4. It was great to see you recently and to have a chance to visit. I appreciate the insight you shared with me.

Thanks, too, for your suggestion that we get together the group who endorsed me in Chicago and, perhaps, another group of younger folks who run their own small companies. I've taken the liberty of sharing your letter with Bob Rubin, Assistant to the President for Economic Policy, for his consideration.

Again, thanks for coming to see me and, as always, for your friendship and support.

Sincerely,

Bill Clinton

POMONA CAPITAL

**605 Third Avenue, 28th floor
New York, NY 10158-0170**

Tel: (212) 867-7150
Fax: (212) 867-6802

August 4, 1994

Michael D. Granoff
President

President Bill Clinton
The White House
1600 Pennsylvania Avenue, NW
Washington, D.C. 20006-2000

Dear Mr. President:

I just wanted to take a moment to thank you for taking the time to meet with me on Tuesday. You went out of your way and I appreciate it.

I thought your remarks at the press conference last night captured the gist of our conversation. Just as the noise of Whitewater and other personal attacks are masking the real progress that has been made in a wide range of policy areas, the noise related to the volatility of the traded markets tends to mask the real state of the economy.

I was thinking back to the Chicago press conference during the campaign when many of us came together to endorse your candidacy. Perhaps it may not be a bad idea to reconvene the group. I would guess that the great majority of CEO's have experienced clear improvements in business since the election. Such a meeting may serve to focus needed attention on our economic progress and its effect on ordinary people.

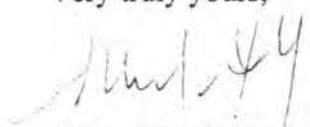
Another idea could be to put together a group of younger people, in my age group, who run their own smaller companies, as a counterbalance to CEO's of very large corporations in order to show the breadth and vibrancy of the economy.

I sensed a great frustration from you and your staff. I can only imagine the competing pressures you face. I know in my own small way from trying to get a new company going, how tough it is to break new ground. I believe we have made a much stronger start than is recognized.

I have been honored to assist your efforts during the campaign, on the Transition Team and now perhaps on the Board of one of the U.S. Enterprise funds for Eastern Europe. Please let me know how I can be of continuing help from a policy, political or financial perspective.

Thank you again for taking the time to meet with me on Tuesday.

Very truly yours,



Michael D. Granoff
President

MDG/ks

An affiliate of Steinhardt Management

THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS BEEN

8/13/94

94 AUG 8 AM : 04

August 5, 1994

MEMORANDUM TO THE PRESIDENT

FROM: Ann Walker

RE: Campaign Promises

I thought you might like to look over the attached "Promises" tracking document we prepared last year and update regularly. There's a lot to brag on in terms of campaign promises against your accomplishments. With only 18 months in office, a considerable number of promises have already been kept.

On Inauguration Day, the Washington Post laid out a list of your campaign promises and pledges. We used this list to develop the attached draft.

We also have a much larger, more comprehensive document listing all promises/pledges made in '92. This was compiled from all your speeches, interviews, PPF (book), etc. It's a bit cumbersome (60 pages) so I'm not including it in this package.

We are awaiting the foreign-policy updates from NSC. This should be considered a work in progress draft.

THE PRESIDENT HAS SEEN
8-17-94

CC N16
CC Bob McNeely

**Participants for General Aviation Revitalization
Act Bill Signing/Photo-op**

The Vice President

MEMBERS OF CONGRESS:

Rep. Dan Glickman (D-KS), House sponsor
Sen. Nancy Kassebaum (R-KS), Senate sponsor
Rep. Jim Hansen (R-UT), instrumental in passage

BUSINESS AND LABOR:

Russell Meyer, Chairman and CEO, Cessna Aircraft
Arthur Wegner, President and CEO, Beech Aircraft
Edgar Glenn Parr, Chief Counsel, Piper Aircraft
Patricia Lehman, Secretary-Treasurer, International Association
of Machinists, District Lodge #70, Wichita, KS
Edward Stimpson, President, General Aviation Manufacturers
Association
Philip Boyer, President, Aircraft Owners and Pilots Association
Monta Mitchell, President, Aircraft Electronics Association
George Hooper, Grand Lodge Representative, International
Association of Machinists, Dallas, TX
John Weber, Executive of TWA, former President of the Kansas
Machinists Union
Governor Gerald Baliles, Former Governor of Virginia and former
head of the National Airline Commission

ADMINISTRATION:

David Hinson, FAA Administrator
Linda Daschle, Deputy FAA Administrator
Mort Downey, Deputy Sec., Dept. of Transportation
Frank Hunger, Assistant Attorney General, Civil Division. He was
instrumental in the passage of the bill.

CONGRESSIONAL STAFF, OBSERVING SIGNING (NOT IN PHOTO):

Sheryl Ruffing, Legislative Assistant, Rep. Dan Glickman
Karen Newman, Policy Analyst, Rep. Dan Glickman
Marc Pearl, Administrative Assistant, Rep. Dan Glickman
Dave Bartel, Chief of Staff, Sen. Kassebaum
Ed Bolen, Legislative Director, Sen. Kassebaum

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Dreyer
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THE PRESIDENT HAS BEEN

8-17-94

Why take it?

Recent Columns (Germond)
August 16, 1994
Page 8

Dealing with Clinton's Personal Credibility Jack W. Germond

Amid all the maneuvering over the crime and health care bills, the political fate of President Clinton has been a source of growing partisan, press and public speculation. Will defeat on either or both bills bury his chances for a second term? Are the Republicans opposing him primarily to achieve this end? Are Democrats not aligned with him on this legislation under pressure to "save" his presidency, as fence-straddlers on his deficit reduction package were last year?

These questions would not be asked now if the president were riding as high in the public opinion polls as might be expected in a period of relatively good economic conditions following the recession that helped drive George Bush from the Oval Office. But he is not, and indeed his political image seems to be so weak right now that Democratic allies take pains to say that a modification of legislation they are trying to rescue for him is "not a Clinton bill."

That attitude underscores the fact that the president as a person is more chastised than his proposals, which generally rate high in the polls. Provisions in the crime bill such as the ban on assault weapons and three-strikes-and-out sentencing, and universal coverage in health care, all get strong public support -- provided Clinton's name is not attached. No matter how often the president insists that it is not his political future that matters in passing crime and health care measures, his ardor for the presidency before he achieved it and since has been so obvious that disclaiming personal political interest in legislative success has little credibility.

One recent president, Lyndon Johnson, had similar ardor for the office and shocked the nation in 1968 by announcing he would not seek a second term, in order to remove politics from his efforts to end the war in Vietnam. Expecting Clinton to follow suit to make himself more credible on the issues he cares most about would be entirely unrealistic, although the polls strongly suggest that he may well wind up a one-term president anyway.

Still, as long as many Americans have the impression that Clinton wants a second term so much that he will compromise at every turn, and that therefore his word doesn't mean all it should, he will lack the credibility any president needs to make his word stand up. His State of the Union threat to veto any health care bill that does not provide coverage "for every American" has already been eroded by declared support of the House and Senate Democratic bills that merely propose to move toward covering everybody sometime.

How Do They
Get It?

8.17.94

Recent Columns (Germond)
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What this president needs at this point, while making clear he does want a second term, is to conduct himself through the remainder of this term as if what is most important to him is to achieve those of his goals that he can get in the time remaining to him before facing the voters again in 1996.

* In the jolt he sustained when the House voted last week against taking up his crime bill, Clinton demonstrated a fighting resolve that has been all too rare in his presidency, albeit directed disproportionately against the Republicans who voted against him and largely giving a pass to the 58 fellow Democrats who joined them.

Since then, however, apparently having failed to nudge the Republicans, Clinton has begun to sound more conciliatory toward the Republicans, at least through aides, causing many liberal Democrats to worry that he will swallow legislation so watered down as to render it unacceptable to them.

At risk in all this is Clinton coming off once more with an image of weak leadership, in part because accommodation, which certainly has its place in the real world of politics, can easily be read as an inordinate desire to survive politically. Just maybe, Bill Clinton might be better served this once to take a strong, firm stand on what he wants, to fight all-out for it and go down to defeat fighting, if it comes to that.

One of the great appeals of the current term-limitation craze is the argument it makes that those who back it are more interested in achieving something in a limited time than in perpetuating themselves in office. If Clinton somehow could convey that same sense by his actions without renouncing his ambition for a second term, his chances of achieving it might well in the long run be enhanced.

Don't Call It AIDS

By Tom Stoddard

Quietly but persistently, AIDS has evolved into something quite different from the horrifying, untreatable illness of the early 80's. It is still a killer, but medical science has made major life-sustaining gains against AIDS-related infections.

Unfortunately, the Government has largely ignored these successes. So have the media; almost every report from last week's international AIDS conference in Yokohama communicated despair rather than possibility. They should start emphasizing the triumphs of science, because the well-being of thousands of people with H.I.V. is at stake.

A good start would be to stop using the term AIDS. In 1981, before the syndrome AIDS even had a name, patients contracted mysterious, exot-

preventable infections. In order to avoid acute illness, those infected with the virus must know they have it, be able (and encouraged) to find doctors who specialize in their disease, see those doctors frequently and get medication.

Yet many — perhaps most — people with H.I.V. do not know there is any hope. They make no effort because no one has made a concerted effort to tell them the news that treatments are now available.

This was evident in a 1992 study at Howard University Hospital in Washington, which disclosed that 41 percent of the people who died of AIDS in the hospital had never been diagnosed with it. Some of these people undoubtedly died needlessly, not because the hospital gave them inadequate care but because they never came in for treatment. Why don't people who suspect they might have AIDS come to doctors? In many cases, it is because they don't know there is hope.

The Government in its Victorian way tells people to avoid dangerous sex and dirty needles, but it has no outreach or informational campaign directed at those who are already infected. Some reporters (far fewer than five years ago) cover AIDS, but they rarely report the news that matters.

Two stories have dominated coverage in recent months: the lack of progress in the search for a vaccine and allegations that a dentist in Florida transmitted H.I.V. to some patients. Good news simply isn't reported.

The very term AIDS is part of the problem. It connotes imminent death and despair; people with AIDS are simply written off. The term is not even medically very useful. AIDS cannot be applied to many of the people infected with H.I.V.

According to the Centers for Disease Control and Prevention, AIDS is diagnosed only if an H.I.V.-positive patient has one of a few specific infections or cancers or a low number of so-called helper cells in his or her blood. But people who do not meet that definition die of H.I.V.-related ailments, and people who fit the definition (including me) can and do survive.

AIDS has outlived its usefulness. To mark the evolution of the illness into a condition that is susceptible to treatment, AIDS should be relabeled "H.I.V. disease." Such a signal of possibility could save lives. □

It's H.I.V.
disease, and that's
reason for hope.

ic conditions like Pneumocystis carinii pneumonia and Mycobacterium avium complex, then they weakened until they died. Now both these conditions, and many others that afflict those with AIDS, are not only treatable but preventable.

There is, of course, still no cure for AIDS. But in many cases the related infections that actually kill people can be stopped through antibiotics. I know firsthand. I developed H.I.V.-related pneumonia 22 months ago, and I have recovered completely — well enough to jog two miles without stopping. A decade ago, I probably would not have survived for more than a few weeks.

In those days, this pneumonia accounted for the majority of deaths caused by the virus in the U.S. Today, that number has plunged to less than 3 percent. These heartening medical advances, however, cannot assure that people will no longer die from

Tom Stoddard, a lawyer, is on the board of directors of the American Foundation for AIDS research.

THE PRESIDENT HAS SEEN
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Corasno

THE NEW YORK TIMES, WEDNESDAY, AUGUST 17,

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THE PRESIDENT HAS SEEN

8.17.94

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Prediction: The Parties Will Vie for the Cutting Edge

By James K. Glassman
Special to The Washington Post

What's the next Washington political obsession, once the crime bill and health care reform are history? Get ready for dueling tax cuts.

Next month, Republicans will announce their plan. Then, in early 1995, President Clinton, now mum on the issue, may resurrect a discarded plank from his 1992 platform.

"I certainly would not be surprised to see the president propose something similar to our \$500-per-child family tax credit in

his next budget," Rep. John R. Kasich (R-Ohio), the top Republican on the House Budget Committee, told me.

Kasich refers to "our" tax credit, but actually Bill Clinton proposed it two years ago.

Both parties see the enormous appeal of linking a tax reduction to the trendy topic of family values. And a \$500 credit would put cash directly into the pockets of the middle-income voters politicians crave most.

For example, a typical family of four that makes \$45,000 could have its income tax bill cut from \$5,000 to \$4,000—a 20 percent

See **BIG MONEY**, F3, Col. 1

BIG MONEY, From F1

reduction. But a family that makes \$200,000 would see its bill cut only about 2 percent—or not cut at all if there's a cap on the credit.

In his campaign manifesto, "Putting People First," Clinton vowed to "give middle-class taxpayers a choice between a children's tax credit or a significant reduction in their income tax rate."

Actually, they got neither. Instead, Clinton opted for trying to close the deficit gap with higher taxes on the rich and no cut for the middle class.

The idea was to convince the bond markets that the federal debt would be brought under control. Interest rates did indeed decline for about a year, and economic growth picked up.

But rates have gone back up sharply. The higher rates aren't the administration's fault. They're the normal result of economic expansion, which creates more demand for credit and more concern (from the Federal Reserve and from investors) about inflation.

There are signs, especially in the housing market, that we may be entering the late innings of a typical four-to-five-year business cycle—though other signs show the economy continuing to gain momentum.

As James Grant wrote in his newsletter recently, "So big is a \$6.6 trillion economy that a documentable anecdote is available to support every sane forecast."

Certainly, it's sane to predict that the economy will head south. If it does, the timing will be poor for the Democrats.

It's tough to run for reelection during a slowdown. Just ask George Bush.

From the start, the Clinton administration set moderate growth as its goal. In other words, the president would be pleased to see the gross domestic product (GDP) rise at a rate of 3 percent or so every year.

While that sounds like an admirably modest aim, it's never been achieved before in American history. The economy goes up and down. It's been going up since 1991, and the big



Rep. John R. Kasich (R-Ohio), top Republican on Budget Committee.



REP. JOHN R. KASICH

... expects tax-credit competition

question is how soon it will start down again.

Democrats naturally hope that this cycle doesn't end before November 1996. But what if it does?

Lehrman Bell Mueller Cannon Inc., a conservative economic consulting firm that predicted last year's GDP figures with uncanny accuracy, sees growth slowing from 3.7 percent now to 1.8 percent in the second half of 1995 and 0.4 percent in 1996.

That's recession territory.

Publicly, of course, administration officials refuse to admit this possibility. They won't even confess to having a contingency plan. But if the economy starts to slow, they'll be faced with the two traditional choices for goosing it up again: boost spending or cut taxes.

Politicians in the '90s can't make these choices painlessly, the way they used to. Under current budget law, the government must increase taxes if it wants to increase spending. And it must cut spending if it wants to cut taxes.

Neither of these routes is easy, but a tax cut—especially before an election—is politically preferable.

The only problem is that the Republicans will get a jump on the president, picking up his own idea. On Sept. 27, House Republicans plan to announce 10 policy changes they will push for

1995, when they hope to hold far more seats in Congress. One of those changes will be tax cuts.

The likely proposal will include the \$500 child credit plus a reduction in capital gains, with the top rate dropping from 28 percent to about 20 percent and the rate for a family making \$70,000 dropping from 28 percent to 14 percent.

Cutting the capital gains tax will cheer investors (since, when you sell your shares, you get to keep more of the profits), but it probably won't provide a quick shot of the juice to the economy the way a child credit might.

In fact, the effect of a capital gains cut could be just the opposite: It would encourage Americans to save and invest more, rather than consume more.

But in the long run, more saving is what the economy really needs—as do individual Americans themselves, if they want to avoid retiring in penury.

Between 1980 and 1992, the personal income of Americans expanded by \$2.7 trillion, but only \$69 billion of that extra money went into saving. We saved more in 1985 than we do now.

Another change that might be part of the GOP package—and would certainly increase saving—is to make individual retirement accounts available to all Americans again.

IRAs were sharply limited in 1986, but a bill introduced by Sens. William V. Roth Jr. (R-Del.) and John Breaux (D-La.), with 53 cosponsors, would allow all Americans to deduct annual investments up to \$2,000.

Since 1954, the Ways and Means Committee says, 42 "principal tax acts" have become law. That's better than one a year.

Of course, if the administration is right and the business cycle has truly been repealed, then we won't hear much talk of another tax change.

But don't bet on that scenario. Within months, taxes will be a hot topic once more.

THE WASHINGTON POST WEDNESDAY, AUGUST 17, 1994

BIG MONEY

The Politics of Taxes

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8.17.94

United States Senate

COMMITTEE ON FOREIGN RELATIONS

WASHINGTON, DC 20510-6225

August 3, 1994

Memorandum

To: President Bill Clinton

From: Senator Christopher J. Dodd

Subj: Public Comments in Support of United States Policy with Respect to Haiti.

As I mentioned during our telephone conversation this afternoon, I think it would be very helpful if you could once again articulate to the American people your rationale for United States policy with respect to Haiti, in the course of your televised remarks tonight.

I believe the American people would have a clearer understanding of what's at stake with respect to Haiti, if you were to place this in a global context:

-- The post cold war world poses a very different set of problems and challenges than your two most recent predecessors faced when they first came to office. The old rules of the game no longer apply and the new ones are still in the process of evolving.

-- Your administration inherited the situation in Haiti. The Bush administration had already sought the assistance of the United Nations and the Organization of American States in an effort to restore democracy to the Haitian people. You have methodically proceeded thorough the various policy options available to the President to bring about the resolution of the Haitian problem. The United States, with the international community, has tried condemnation, persuasion, isolation and negotiation.

-- Economic sanctions, if effectively enforced, can produce positive results in Haiti. But they will only work if the de facto leaders in Haiti are convinced that we are firm in our resolve . . . That we in the United States are united behind common goals . . . democracy, law and dignity for the people of Haiti.

-- No decision has been made at this juncture to deploy U.S. troops to Haiti. However, it continues to be a viable option in the event that U.S. national interests will be furthered by such action.

- 2 -

-- The most recent action by the United Nations Security Council should not be seen simply as a call to arms. Rather, it should be understood as but one more calibrated step to tighten the screws on Haiti One more unequivocal signal to Haiti's military that it must step aside and permit the will of the Haitian people to be exercised.

-- While the situation in Haiti, in and of itself, poses no serious threat to the peace and security of the United States; We should not underestimate its implications with respect to other on-going regional conflicts. How the United States and the international community responds to flagrant violations of international law standards by those "paper tigers" in Haiti will not be lost on others who do have the means to pose a real and credible threat to world peace and security.

I also believe that the points you have made heretofore explaining U.S. interests in Haiti continue to be valid, namely;

- First, Haiti is a close neighbor;
- Second, there are approximately one million persons of Haitian descent resident in the U.S.;
- Third, several thousand American citizens live in Haiti;
- Fourth, we believe that drugs are coming to the United States from Haiti;
- Fifth, we face the continuous possibility of a massive outflow of Haitian migrants to the United States because of conditions in Haiti;
- Sixth, Haiti and Cuba are the only non-democracies left in the Hemisphere, and in Haiti the results of a democratic election were overturned by unconstitutional and antidemocratic means; and
- Finally, we have an interest in stopping gross human rights violations and abuses.

Bosnia Heads for Implosion

By Brian Hall

THE PRESIDENT HAS SEEN

8.17.94

THE NEW YORK TIMES, TUESDAY, AUGUST 16, 1994

Slobodan Milosevic's announcement of an economic and political blockade against the Bosnian Serbs is being greeted by some as a potential turning point in the 28-month war. But a turning toward what? Whether or not the blockade is effective, the chances that peace will break out soon are nonexistent.

If Mr. Milosevic, the President of Serbia, turns out not to be serious about enforcing the blockade, then the Bosnian Serbs have no reason to abandon a favorable situation on the ground to participate in negotiations that are directed against them. And if he is serious, the Bosnian Serbs will probably try to drag him back into their corner by escalating confrontations with the United Nations and NATO, thus making themselves look more beleaguered and making him more vulnerable to attacks from his ultranationalist rivals in Serbia. Indeed, in recent weeks the Bosnian Serbs have been deliberately provoking U.N. peacekeeping troops, perhaps for this reason.

Most important, if the Bosnian



Serbs don't force an end to Serbia's embargo against them, Muslim support for the latest peace plan — proposed by the "contact group" of the U.S., Russia, Britain, Germany and France and rejected by the Bosnian Serbs — will immediately dissolve. After all, the Muslims' chances of winning back territory militarily will have been vastly improved.

The obvious flaw in this peace plan was that nobody wanted it. The Muslims saw that it allowed the Serbs to keep lands they had ethnically cleansed, and Bosnia's President, Alija Izetbegovic, openly admitted that he would support the plan only because he knew the Serbs would reject it. The Bosnian Serbs claimed that it forced them to give up cities and towns they had won with Serbian lives. The Bosnian Croats crave acceptance by the West, and their holdings would be expanded by the proposal, so they had the most to gain from peace. But their allies in Croatia had every reason to dread the plan, which guaranteed a Serbian supply corridor to the Serbian-held areas of Croatia.

Bizarrely, not even the most powerful negotiator at the table, the U.S., wanted the plan to succeed. If it had been approved, Washington would have been expected to send in 20,000 or 30,000 troops to maintain the

Brian Hall, author of "The Impossible Country: A Journey Through the Last Days of Yugoslavia," visited Bosnia and Herzegovina in July.

*Don't
further
something I think
it will be more
complected*

peace. On top of the crisis in Haiti, the Whitewater investigation and faltering health care reform, a signed peace plan would be President Clinton's worst nightmare.

And even if the U.S. sent troops, what would happen? Would anyone expect the Serbs simply to pull back? We can assume that American soldiers would die and that TV cameras would capture horrific images of some of those deaths. The Serbs might plan this deliberately, to get the Americans to leave. Or the Muslims might stage an attack and blame the Serbs, to get us more involved, as they have been trying to do since the beginning of the war.

In that tragic and fruitless effort,

Empty talk in the West won't end this war. Maybe brute force will.

the Muslims have been fooled by Western, especially American, rhetoric. Surely a major casualty of this conflict has been the degradation of our political speech, which has cost us the option of avoiding the use of force by credibly threatening it. During the cold war, America's moralistic rhetoric remained untested because it always went hand in hand with realpolitik — what were seen as our vital interests in a struggle for world domination. Now the struggle is over, but the rhetoric sails blindly on, and with every passing crisis increasingly reveals itself to be a sham. As such, it breeds disillusionment in friends and disdain in foes.

Along with abandoning false promises, the Western powers should stop talking about peace as though it were always the best option, and the sooner

achieved, the better. One of the arguments most often heard against lifting the arms embargo, which has hindered the Muslims from defending themselves, is that it would prolong the fighting and lead to more deaths. Of course it would — evening up the sides always prolongs a confrontation. America's entry into World War II prolonged the war on the Western front and led to the deaths of hundreds of thousands. Yet no one would seriously advance those facts as arguments against our having gone in. Sometimes peace is the peace of a graveyard.

We should also stop talking about the U.N.'s neutrality, another cold war relic. The Serbs recognized from the beginning that the U.N. came in to freeze Serb advances and save beleaguered Muslim enclaves. If we hadn't been fooling ourselves with claims of neutrality, we could have foreseen that U.N. peacekeepers would be regarded by Serbs as allies of the Muslims and thus would become future hostages who would tie our hands.

So what can the West do now? One thing to recommend lifting the arms embargo, as President Clinton is urging, is that for once we could plausibly follow our talk with action. Lifting the embargo not only means outside forces don't have to go in and fight, it means they don't even have to try to keep the peace. The Bosnian Government has made it clear for most of the war that if the presence of vulnerable U.N. troops is all that is hindering a lifting of the arms embargo, the Government would happily see the troops go.

But lifting the embargo is an agonizing call; it is impossible to predict whether it would help or hurt the Muslims' cause. While the Muslims were getting the matériel in place, surely the Bosnian Serbs would be engaged in an all-out shelling of Government-held cities and towns. They might overwhelm the "safe havens" as U.N. forces withdrew. If President Milosevic was still withholding support from the Bosnian Serbs, he might be forced to extend it again. Worse yet, a sudden flow of arms to either member of the Croat-Muslim federation could feed mistrust and break apart that extremely fragile construct.

Given these risks, we should wait to see if Mr. Milosevic's new stance alters the balance of power in Bosnia on its own. But if it doesn't, a multilateral lifting of the arms embargo is the best course among discouraging options. All the scenarios cited here would be disasters mainly for the Muslims, so surely the ultimate decision about the risks should be theirs, not ours.

By lifting the embargo and getting out, the West would stop treating the warring factions like Balkan savages who need to be saved from themselves. We would extricate ourselves from a costly and dubious peacekeeping effort. And we wouldn't have to chatter about morality and fairness, since we would be leaving the outcome to brute power — something the less self-deluding and word-mincing Bosnians, whether Serb, Croat or Muslim, recognized was the key from the beginning.

Ralee

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do this

THE PRESIDENT HAS SEEN

8-17-94

'Social pork'

Don't laugh at midnight basketball

Want to keep a pack of kids from tearing the living room to pieces? You know what to do: Open a book; get out the watercolors; grab the soccer ball. Or turn on the sprinkler and escort them into the yard. Keeping children occupied is one key to keeping the peace, and that's just as true whether the children in question are 6 or 16. It's a fact of life that some Republican lawmakers seem unable to grasp. Why else would they laugh at President Clinton's wish to lure trouble-prone kids off the street and into the gym?

The loudest laughs are saved for "midnight basketball," a tiny crime-prevention program in Clinton's stalled crime bill. However preposterous it might seem to some, the concept is hardly experimental: In Chicago and several other urban centers, nighttime sports leagues have worked well to distract city kids from unsavory pursuits. Clinton wants to capitalize on the diversion idea — and expand on it.

Besides midnight basketball, his stymied bill earmarks money for dance, art and other recreational programs. Because coaxing kids away from crime means engaging mind as well as body, the bill also calls for counseling, anti-violence and drug-education initiatives. And it sets aside money for jobs and training programs in the poverty-stricken cities most susceptible to crime.

Republicans mock all these crime-prevention ideas as "social pork" — a fat-laden delicacy that spendthrift liberals reportedly consume for every meal. The critics prefer a leaner, meaner response to crime: more prisons, more punishment, more police. Their rhetoric has

As criminologists have long insisted, the best hope for curbing crime lies in the very prevention efforts President Clinton is pushing.

been lamentably effective — so much so that the president now hints he's willing to sacrifice many of the crime bill's prevention provisions in exchange for Republican votes.

That's precisely the wrong sacrifice to make. As criminologists have long insisted, the best hope for curbing crime lies in the very prevention efforts Clinton is pushing. Hard evidence links high levels of investment in child welfare to low crime rates. And as reporter Sharon Schmickle noted in last Sunday's Star Tribune, there's no proof that punishment quells violence. Quite the contrary: Though the prison population has nearly quintupled since 1970, violent crime rates have barely budged.

It's true that some of Clinton's prevention plans are untested. As the critics maintain, some are probably expendable. But assailing the entire crime bill as a porkfest is stubborn and shallow. Only one-quarter of this bill's funding is devoted to prevention; the rest goes to the same tired old punishment stuff. It's already plain that locking people up doesn't keep the peace. So why not give basketball a try?

MINNEAPOLIS STAR-TRIBUNE

8/17/94



~~Joan Baggett~~
✓ Good stuff
~~See to Dinner~~

THE PRESIDENT HAS SEEN

8.17.94



Money Shouts

After a Mixed Effort In Business, Huffington Now Looks to Senate

He Digs Deep Into a Fortune, Created by His Father, To Seek California Seat Shock Batons for Indonesia

By JOHN HARWOOD

Staff Reporter of THE WALL STREET JOURNAL

LOS ANGELES — To hear Rep. Michael Huffington tell it, the riches behind his extraordinary U.S. Senate campaign represent the fruits of the American dream. "With hard work and luck," he says in one television ad, "I succeeded in business."

Actually, Mr. Huffington's vast wealth is largely the fruits of his father's success. Roy M. Huffington's drive and daring paid off spectacularly two decades ago in the discovery of a rich natural-gas field in Indonesia.

"I would have preferred that he stayed and turned the company into a monster," says the elder Mr. Huffington, who praises his only son's role in Roy M. Huffington Inc. But Rep. Huffington had a mixed record at the family company and, in any case, was uncomfortable with the risks of the oil business. Eventually, he persuaded the family to sell Huffco and converted his own stake into \$70 million.

Now, that money is crucial to what may well become the first \$20 million U.S. Senate campaign. Just warming up, the 46-year-old Rep. Huffington has already spent \$9 million of his own money to do two things: to create from scratch an image in a state where he has lived only briefly; and to attack incumbent Democratic Sen. Dianne Feinstein as, among other things, the embodiment of the campaign-finance corruption that sours so many voters on politics. Unwilling to draw on much of her own considerable wealth, Sen. Feinstein is indeed depending on contributions from all manner of special interests for the some \$12 million she plans to spend.

Yet Mr. Huffington presents the flip side of that campaign-finance system. By relying on his own checkbook, the tall, slender Republican is accountable to no one—not to business or labor, not to ideological interests, not to his own party. And the pending legislation to reform campaign finance wouldn't prevent deep-pocketed candidates such as Mr. Huffington, Ross Perot and Democratic Sens. Jay Rockefeller of West Virginia, Edward Kennedy of Massachusetts and Herb Kohl of Wisconsin from pouring their immense fortunes into seeking or holding onto elective office.



Michael Huffington

Scant Public Service

For voters in the nation's most populous state, understanding Mr. Huffington's record in business is important: It is just about the only record he has. His public career consists of one year in a minor Pentagon job and one congressional term representing the Santa Barbara, Calif., area. His time in Congress is notable largely for his decision to shun most legislative pursuits and even some traditional forms of constituent service.

Mr. Huffington, who says he is related by blood to both George Washington and Thomas Jefferson, contends that his record proves "I'm a young man who's very competent and capable." But just as Sen. Feinstein's long tenure in public office provides fodder for opposition attacks, Mr. Huffington's background contains its own contradictions:

- His TV ads stress the importance of virtue. Before beating a Democratic opponent in the 1992 House race, he successfully took on Rep. Robert Lagomarsino and defeated the Republican incumbent while assailing him for having helped a California company export surveillance cameras to China's repressive regime. But in the mid-1980s, the U.S. government fined the Huffington family company \$250,000 for shipping unlicensed shock batons, handcuffs and computer equipment to Indonesia and Singapore, which have authoritarian governments.

- Other Huffington commercials blast Sen. Feinstein for backing tax increases. But Huffco also contributed to taxpayers' burdens. When a refinery project went belly up a decade ago, a Huffco subsidiary failed to repay \$6 million in loans to a troubled Houston bank on whose board the senior Mr. Huffington served as a director. The bank later collapsed, leaving taxpayers to bail out depositors. Mr. Huffington says he opposed the refinery project.

- Rep. Huffington refuses money from political-action committees, blasts the role of special interests in politics and boasts, "I can't be bought." But before he ran for office, Huffco had its own PAC. The PAC and Huffington family members lavished some \$300,000 on Republicans in the 1980s as Mr. Huffington sought and received a job in the Reagan administration.

- Mr. Huffington speaks of rising from "middle-class" origins through the business world and into government. Yet some business associates tell of an intelligent but undirected "silver-spoon kid" riding his father's success, a devotee of self-improvement books who dabbled restlessly in many pursuits without notable accomplishment in any of them.

"He hasn't stayed with anything for very long," says Robin Willis, a Houston attorney who worked for Mr. Huffington during the 1980s. "He hasn't found what he's looking for, and now he's trying politics. . . . It's kind of sad."

The defining event of Mr. Huffington's career was one he had nothing to do with: his swashbuckling father's discovery, in early 1972, of an immense gas field on Kalimantan Island in Indonesia. At the time, the son was in his second year at Harvard Business School.

After graduation, Mr. Huffington followed a classmate, L.E. Simmons, to work at First National Bank of Chicago. Mr. Huffington showed "major-league" talent, says John Rau, a former colleague who is now dean of the Indiana University business school—but he didn't stay long.

Trying Merchant Banking

In 1974, Mr. Simmons and his older brother, Matt, formed a merchant bank in Houston to serve the oil industry. Because Mr. Huffington's father was well-known in the industry, they thought the son could help market the venture, and they invited him to put up \$1,000 and become a partner. Matt Simmons says.

When Mr. Huffington left two years later, the company was still struggling. The Simmons brothers bought out his shares for about \$700,000 in the early 1980s after difficult negotiations and a lawsuit filed by Mr. Huffington and later settled. "I'm a fighter," the congressman explains. Though Simmons & Co. began to thrive following his departure, he says "I do deserve some credit" for it.

In 1976, Mr. Huffington heeded his mother's urgings to join his father's business in Houston. His parents gave him more than a job that year; according to Houston real-estate records, they also sold him for \$70,000 a house that he resold just 19 months later for \$185,000. "I thought I was paying fair market value" for the house, he says, calling it "a lucky investment on my part."

By the time he arrived at Huffco, the cornerstones of its success had already been laid: The Indonesian gas had been discovered, the liquefying plant to turn it into transportable fuel was under construction, the contract with Japanese utilities—long the sole customers—had been signed. Still, Mr. Huffington says the company's success remained much in doubt, given the hazards of financing the venture before production began and arranging shipping. He says he joined out of his sense of obligation to "help the family."

As treasurer, chief financial officer and ultimately vice chairman, Mr. Huffington earned a reputation as a tightfisted executive. Some former associates say he also exacerbated strains among Huffco's partners in the Indonesian venture. "Everyone who knew him doubted his business ability," says Arch Sproul, one of Roy Huffington's original associates in the deal.

Benefits of Low Debt

Others disagree, however. Some business associates credit Mr. Huffington's tight financial approach for protecting Huffco when it later ran into difficulty. "He'd probably be credited with saving the company" by holding down debt, says Jim Boyd, a former Huffco executive. John Rogers, another Huffco alumnus, agrees: "Had he not put the brakes on, there was a strong possibility that a leveraged company would have limped out of the 1980s."

Mr. Huffington sometimes irked Huffco employees, both for his privileged status and his health-conscious crackdowns on smoking and caffeine beverages. Tensions ran especially high when the energy industry was rocked by falling prices and Huffco laid off about 10% of its 200 employees.

The congressman says his business style mirrors his economic philosophy. "I'm very conservative," he says. But that didn't stop Huffco—like the oil business generally—from taking a bath on at least two ventures on his watch. Culver Drilling Co., an Oklahoma natural-gas subsidiary that Mr. Huffington named for his military prep school in Indiana, fizzled at a cost of "tens of millions" by his own estimate. Independent Valley Energy Co., a failed refinery project in California, swallowed up another \$65 million.

The refinery project, which Mr. Huffington says went forward despite his opposition, left First City Bancorp of Texas with a \$6 million loss on the nonguaranteed portion of its \$15.4 million loan. "Mike was a tough guy to deal with," recalls Robert Wagner, then an executive at the bank. Decimated by many bad energy loans, First City was bailed out in 1987 by federal taxpayers to the tune of some \$970 million.

Money Shouts: After a Mixed Effort in Business, Rich Oil Man's Son Now Looks to the U.S. Senate

Mr. Huffington says the bank's executives bear the responsibility.

The project Mr. Huffington personally cherished the most also came to naught. Beginning in 1979, he used a real-estate subsidiary to accumulate the equivalent of 11 blocks of downtown Houston toward his dream of developing low-rise apartments, an entertainment complex and retail establishments. "I wanted to build something to make a better environment for downtown Houston," he explains.

No development took place. Although Mr. Huffington estimates he ultimately "broke even" on the real estate, John Patton, Huffco's former general counsel, says the company didn't get "anywhere close" to what it had shelled out for the properties when Taiwan's national oil company bought all of Huffco's assets in April 1990.

Roy Huffington, now 76, praises his son as "a terrific financial man" who "could run any business that he wanted to." But the son didn't want to run Huffco. Seeking a Reagan administration job, he met in 1984 with Vice President Bush, a longtime acquaintance of his father whom he had worked for one summer and later contributed money to. Later that year, he was nominated as assistant secretary of commerce for trade administration.

However, the White House pulled the nomination before the Senate began confirmation proceedings in early 1985. A year later, the probable reason became apparent: The Commerce Department fined Huffco for repeated unlicensed shipments of shock batons, handcuffs, billy clubs, fingerprint materials and computer equipment to Indonesia, which had a checkered human-rights record, between 1979 and 1984. "Our government does not want to be in the position of sending handcuffs and shock batons to a dictator," the department's Anstruther Davidson said at the time.

Another Administration Job

Despite his key role in the company, Mr. Huffington contends that he didn't know the export violation involved police equipment until asked about it for this article. "That wasn't under my control," he says. "I was in the finance area." Mr. Patton, the former counsel, recalls the shipment as a routine favor to the Indonesian government: "We got asked to do

things for them all the time, and did."

In September 1986, Mr. Huffington got an administration post that didn't require Senate confirmation. In a year as a deputy assistant secretary of defense for arms-control issues, "I don't think he did anything," says Frank Gaffney, one of his superiors.

Dismissing Mr. Gaffney's remark as ill-informed, Mr. Huffington says one of the officials he really went to the Pentagon to work with was Richard Perle, then assistant defense secretary. Mr. Perle says, "I didn't see all that much of him."

After returning to Houston in 1987, Mr. Huffington began moving to cash out of the family business. The next year, Huffco sold its domestic oil and gas properties to Societe Nationale Elf Aquitaine of France for an estimated \$60 million. Meanwhile, Mr. Huffington and his wife, Arianna Stassinopoulos Huffington, bought a \$4.3 million California mansion.

Two years later, Mr. Huffington talked his reluctant family into selling the rest of the company. Although his sister, Terry, shared their father's zest for the business, Mr. Huffington worried that Huffco's value could dissipate unexpectedly. The Taiwanese paid \$600 million, and Mr. Huffington boasts that his sharp sense of timing ensured that the family received a maximum profit: "Did I pay for my salary with that judgment? You bet I did."

Aside from money, the deal brought Mr. Huffington a chance to step away from his father's shadow. "His clear sense of identity was limited," says Mike Decker, a close friend and former Huffco associate who says Mr. Huffington wanted to make "a clearly identifiable, separate impact on the world."

An Occasional Stumble

His checkbook has certainly had an impact on California politics. In 1992, over GOP leaders' objections, he spent some \$5 million to win his House seat away from Mr. Lagomarsino. Now, spending freely in his Senate race and helped by a stable of experienced GOP consultants, Mr. Huffington has nearly drawn even with Sen. Feinstein. But left to his own devices, he sometimes stumbles.

With the chance to shine in the House Banking Committee's Whitewater hearings, Mr. Huffington set his sights on White House Counsel Lloyd Cutler. "Ethics is as much perception as reality," Mr. Huffington declared, criticizing Mr. Cutler for creating the appearance of special-interest influence by accepting compensation from his Washington law firm while serving President Clinton.

However, Mr. Cutler had told Mr. Huf-

fington's committee two days earlier that he isn't being paid by his law firm at all. Moreover, Mr. Huffington's own financial disclosure forms from his Reagan-administration service indicate that he received a \$95,000 bonus from Huffco while holding his \$73,400 Pentagon post. "Honestly, I don't remember," Mr. Huffington says, adding that the bonus must have been for his work before joining the government.

Whatever his difficulties, Mr. Huffington sees his new career as a chance to change not only government programs but also public attitudes toward the political process. "There's so many people who are cynical," he says. "I'm trying to start turning things around to where we can start believing in the best in people."

THE PRESIDENT HAS SEEN

8.17.94

To Com Gordon
Anything to this?
Can we bring down
about it? —

Suburban Taxes Are Higher For Blacks, Analysis Shows

By DIANA JEAN SCHEMO
Special to The New York Times

GARDEN CITY, L.I., Aug. 16 — During the 1980's, increasing numbers of blacks attained that most potent symbol of the American dream: a home in the suburbs. But in many suburban areas, an analysis of census data suggests, black homeowners are paying higher property taxes than whites on homes of similar value.

The analysis, done by Prof. Andrew A. Beveridge of Queens College, looked at 30 cities and 31 suburbs and found that black homeowners are taxed more than whites on comparable homes in 58 percent of the suburban regions and 30 percent of the cities.

In the New York region, the disparity was common on Long Island and in New Jersey. It was also prevalent in the suburbs of Chicago, San Francisco, Los Angeles and eight other cities.

The disparities range from property tax bills that were 47 percent higher, or \$412 a year more, for blacks in the Philadelphia suburbs to 3.3 percent, or \$38 more, in the Dallas-Fort Worth suburbs.

Sociologists, politicians and tax experts said they did not think that the disparities stemmed from deliberate racism by the taxing jurisdictions or tax assessors. Rather, they said, the differences probably resulted from several related trends. One is the flight of businesses from some suburbs as black homeowners move in and whites leave, saddling newcomers and those who stay behind, including whites, with a heavier tax burden. Another is pressure on governments by wealthier, long-term homeowners not to reassess properties in a timely fashion, leaving a higher tax burden for newer homeowners, a group that tends to include blacks.

Dr. Beveridge's findings were based on the responses of blacks and whites who were asked by the Census for the market value of their homes and the property taxes they paid in 1990.

Because the analysis depends on homeowners' subjective estimates of their homes' value, it may be less reliable than more conventional studies of tax inequities that rely on data from actual home sales. But the findings are consistent with those of other researchers who have used sales data to look at selected communities, and the census data provides a broader picture, allowing comparisons between regions across the country.

Dr. Beveridge's analysis, conducted for The New York Times, was inconclusive when looking at property taxes in major cities. It found that while blacks paid higher taxes on comparable homes in nine cities, whites paid higher taxes in seven. In New York, blacks paid taxes at a rate 66 percent higher than for whites in Manhattan and 10.7 percent higher in Brooklyn, but when taxes on homes in the three other boroughs were included, the differences citywide were no longer statistically significant. In 13 other cities, as well, no significant differences appeared.

But a pattern of inequity emerged in the suburbs. In 18 of 31 suburbs, blacks were taxed significantly more than whites for comparable homes. In a dozen suburbs there was no statistically significant difference,

and only in suburban Miami did whites pay significantly more. Dr. Beveridge said that since the study did not break out data on Hispanic homeowners, who can identify themselves as white or black on the Census, the results in the Miami suburbs might be skewed by the recent migration of Hispanic people there.

Adding to Hardships In Move to Suburbs

After reviewing the study's findings, Billy J. Tidwell, the National Urban League's director of research, said the tax disparities compounded hardships he has documented as blacks move to the suburbs. They include difficulties obtaining mortgages and racial steering away from white neighborhoods.

"We are talking about fundamental bread and butter racial issues," he said. "It appears we have a long way to go, perhaps longer than we had recognized."

Dr. Beveridge, the director of the Program for Applied Social Research at Queens College, said the data sharpened an emerging picture of the obstacles many blacks face as they join the middle class.

"It means that if one of the routes in the U.S.A. to middle class status has been to move to the suburbs and live a comfortable suburban life style, trying to achieve that is going to cost more for blacks," he said.

In the 1980's, according to the census, the number of blacks living in the suburbs rose to 1 in 3, from 1 in 4.

For much of the decade, housing values skyrocketed as voters were swept up in a populist, anti-tax wave. On the real-estate front, that mood translated into pressure against frequent reassessments to reflect increasing values. Voters reasoned that while the values of their homes may have been rising, their incomes were not.

To Newcomers: 'Welcome, Stranger'

As a result, a number of jurisdictions — though none in New York State — now raise property-tax assessments only on a house's sale. The practice, sometimes nicknamed "Welcome, stranger," and illustrated most pointedly in California's Proposition 13, rewards long-term residents with lower tax bills and places

a greater tax burden on newcomers of all races.

"In central cities or the rings around them, white-occupied housing has increased in value more than housing in areas of black concentration, and the assessed valuations have failed to keep pace," said George E. Peterson, a specialist in taxation and government finance at the Urban Institute in Washington. "As a result, the ratio of taxes to property value tends to be higher in black neighborhoods, and in poorer neighborhoods in general."

James F. Dunne, property tax research director at the New York State Board of Equalization, said such disparities were an inevitable result of political pressure from white homeowners not to reassess their properties.

Fair assessments require "keeping current with the market," he said, adding, "you can't have equity if you don't do that."

In New York, unlike many states, he noted, the courts have avoided ordering jurisdictions to update assessments, and state law does not specify that assessments must be based on what experts agree is the only fair basis — the market value of a house. "It all originates in New York with the local control and home rule tradition," said Mr. Dunne. "There's resistance to a single uniform state standard that makes sense."

Anne Aubrey, a spokeswoman for the International Association of Assessing Officers, said tax assessors were not to blame. "The assessor's role is to establish values according to the rules provided in law," she said. "If the rules are bad, then the values may not be equitable."

In addition, some tax experts said, either because of limited finances, white flight or a tendency among real-estate agents to steer blacks into racially mixed areas, suburban blacks often end up in communities with declining tax bases. Those towns have little recourse but to tax property at a higher rate to finance schools, police, garbage collection and other services.

John R. Logan, a sociologist at the State University of New York at Albany, studied 840 suburbs across America. He found that homeowners in white areas were taxed at 82 cents per \$100 of assessed value, while those in black areas were taxed at \$1.16 per \$100 — a 42 percent difference.

Mr. Logan's research focused on distinctly black and white taxing jurisdictions; he defined black suburbs as those where blacks accounted for more than 15 percent of the population, while white suburbs were those with 95 percent white residents. That meant that taxing authorities had to raise revenue within racially defined areas.

Dr. Beveridge, however, found the inequities in places with a variety of taxing systems, including black neighborhoods that are part of white jurisdictions.

"I've been sure for a long time that blacks lived in communities that had

Study Based on Census Questionnaire

The study of property taxes by Prof. Andrew A. Beveridge was based on the answers given by homeowners in the nation's most populous 30 metropolitan areas to the following questions:

"What is the value of this property; that is, how much do you think this house and lot or condominium unit would sell for if it were for sale?"

"What were the real-estate taxes on this property last year?"

Answers to the first question were given in price ranges. Answers to the second were given in

exact dollar amounts.

Dr. Beveridge calculated an estimated tax rate for each house, dividing the amount of taxes paid by the midpoint of the home's price range. Homes valued at more than \$500,000 were excluded.

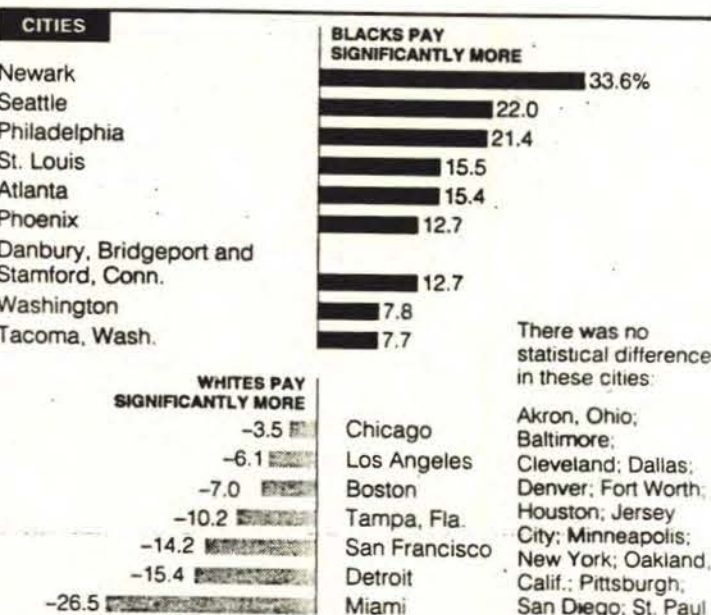
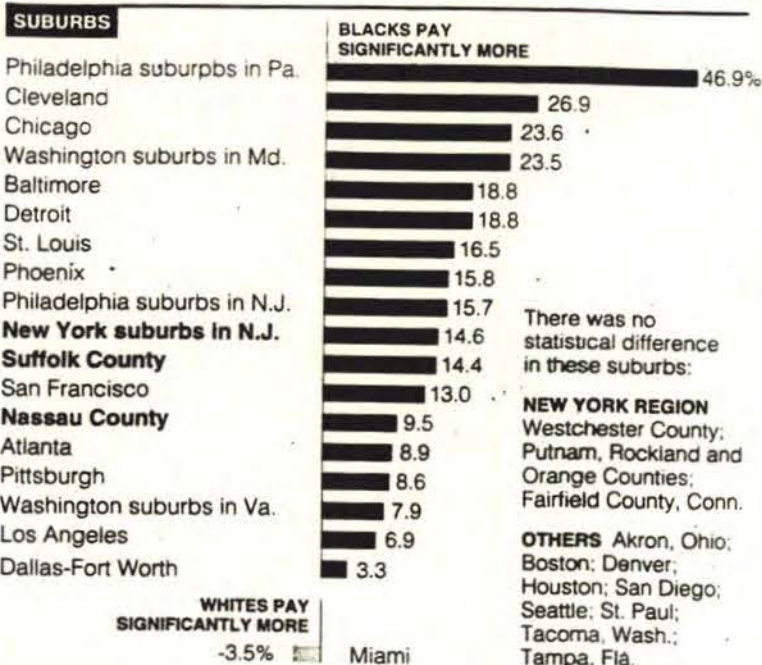
He then compared the estimated tax rates of blacks and whites, using standard statistical tests to determine whether the differences in each geographical area were statistically significant.

The study used data from the 1990 Census, which consist of a 5 percent sample of all respondents.

A CLOSER LOOK

Who Pays More, and Where

Percentage differences in estimated property-tax rates.



Source: Dr. Andrew A. Beveridge, Sociology Department, Queens College, from Census data

higher tax rates and offered less to residents in terms of services, especially schools," Mr. Logan said. "The data you're showing, of disparities within the same taxing jurisdictions, show there's another layer of disadvantage."

Those With Less Pay More on L.I.

An examination of property taxes on Long Island, using data from the Realtors Multiple Listing Service, showed individual examples of those who have less paying more. A home that sold for \$141,000 last September on East Pennywood Avenue in Roosevelt, which is predominantly black, had a tax bill of \$5,750, while another on a lot twice as big on Fifth Street in the nearby affluent village of Garden City, which is almost all white, that sold for \$440,000 had a tax bill of \$2,696.

Officials in Nassau County, which successfully challenged a court order to reassess all residential properties, defend their method of assessing, which uses an unusual formula based on construction costs in 1938 and land costs in 1964, as protecting the county's tax base from wild fluctuations in the real-estate market.

Abe Seldin, the Nassau County assessor, said he did not believe the assessments penalized black homeowners, adding that taxpayers who believe they are being overcharged can always challenge their assessments in small claims court.

But Justice Leo McGinley of the State Supreme Court, who originally ordered Nassau to reassess, said individual challenges do not address basic problems in the system. He criticized the county's "subtle shifting of responsibility to maintain an equitable system of assessment" to taxpayers.

"There's a political agenda not to do anything about this," she said. "There's a feeling in politics that the wealthier you are and the whiter you are, the more likely you are to vote. So you don't want to alienate the white voters, because if you reassess and you reduce the assessments in the African-American areas, then obviously the assessments in the Caucasian areas are going to go up. The politicians have decided that's hazardous to your political health."

Several black homeowners on Long

Island said they were not surprised by Dr. Beveridge's findings. "In many, many situations in this country, racism is alive and well," said Carolyn Coates, a black resident of Wyandanch who runs a religious bookstore. Ms. Coates had successfully challenged her property tax bill of \$2,400 on her three-bedroom ranch house, and reduced it by the maximum 25 percent to \$1,800. The next year, she received the same \$2,400 tax bill, and had to make her case all over again. "I felt it all the way around: the food I had to buy, my car insurance, clothing," she said.

Larry McCord, an aide to David Bishop, a Suffolk County legislator, has also had to challenge the taxes on his Wyandanch home each year, since his town's tax system typically does not incorporate earlier judgments in calculating each year's taxes. It took him more than four years to reduce his tax assessment from a \$250,000 market value to \$107,000. The difference is a tax bill that is \$2,700 instead of \$6,000.

"What's troubling is in 10 years I've paid \$15,000 too much that I know of," he calculated. "I've got a daughter going to college in September. That's one year of law school tuition."

Deepak Bhargava, a spokesman for the Association of Community Organizations for Reform Now, a non-profit housing group based in Washington, said he did not believe the

higher taxes were the result of "outright, direct discrimination," but a reflection of the balance of power in suburbs, where blacks, as newcomers, are less organized.

"To the extent that property taxes are higher for minorities, it would impair people's abilities to become homeowners, and it clearly would be something that would eat into equity in minority communities," he said. "So clearly, it would be an impediment to advancement."

For Mr. McCord, examining the inequalities of the suburban tax system reminded him of his first glimpse of the track at a white high school in the segregated South, where he grew up. There, he saw hurdles that gave way when struck and then bounced back after the white runners had passed. In his school, the parents had made the wooden hurdles themselves. When those hurdles were struck, it was more often the runner who fell to the ground.

Somehow, the bruises hurt more after his visit to the white school, Mr. McCord recalled. "If you didn't know what you weren't getting, there's no way you can complain," he said, rubbing his knees at the memory.

MEMORIES LAST A LIFETIME: GIVE TO THE FRESH AIR FUND

THE PRESIDENT HAS SEEN

THE WHITE HOUSE
WASHINGTON

8-17-99

Leon

Boulbry's whole point is that Steele, an outsider, should not be the person to coordinate the federal efforts with the state and private parties - He was our Oregon chair. He thinks he's getting a bureaucratic run around right out of the White House - He wouldn't want to be a guy to be the designated point person - He may be a

THE WHITE HOUSE
WASHINGTON

bad idea but this
memo just states
that Kate decided
to send him out there
— OK — but then she
decided he would run
the coordinating etc —
probably OK if all federal —
John leaves state, private
parties a bit at sea — (see)
worth having someone
try to get a feel for Madison's
views, interests & evaluation —

THE PRESIDENT HAS SEEN

8.17.94

CHIEF OF STAFF TO THE PRESIDENT

To The President —

This is following on
Bradbury request.

[Signature]

THE WHITE HOUSE
WASHINGTON

94 AUG 15 P1:12

MEMORANDUM TO: Leon Panetta
FR: Katie McGinty
RE: Salmon and Bill Bradbury
DT: 10 August 1994

This memorandum is to provide you with further details on our current efforts to better organize the Federal/state/tribal efforts on saving Pacific salmon.

For several months, we have been engaged in an effort to improve our overall approach to the salmon issues because of the significant substantive and political issues involved. The salmon crisis dwarfs the spotted owl controversy in environmental, economic, scientific and political terms, and the stakes for the administration are high.

1. INTERAGENCY ORGANIZATION. We are engaged in a two pronged effort. The first is to get the Federal family of agencies working better together and to minimize the interagency bickering and undercutting that now threatens the success of the process. We have organized a Washington, D.C. based Salmon Task Force comprised of the relevant assistant secretaries of Commerce, Interior, Energy, Agriculture, etc. to set the overall policies on salmon conservation. We have also set up a regionally based "Salmon Coordinating Committee" to help force the Federal Agencies to work together better in planning their efforts. As I mentioned to you, Will Stelle of my office has very recently accepted a political appointment as regional director of the National Marine Fisheries Service for the Northwest Region which has primary responsibility for dealing with the problem of endangered salmon in the northwest. Will will chair the regional interagency committee.

2. INTERGOVERNMENTAL EFFORTS. Secondly, I have directed the Task Force to work out a formal mechanism for incorporating the states and tribes into the effort, and expect that we will decide on the mechanism and put it into place by the middle of next month. Getting this intergovernmental machinery in place is very important for several reasons. First, it will build the states into our decision-making more directly, and hopefully improve the product. Secondly, it will help inoculate the Administration if and when the tough and controversial decisions are made by having the states and tribes more involved with us -- rather than standing on the outside throwing rocks.

3. THE SALMON "CZAR." For the past year discussions have occurred on whether the designation of an overall salmon "Czar" would be helpful. I have met personally with Bill Bradbury on several occasions about it because I know of his interest in the subject.

At this juncture we have elected not to jump into the Czar issue for several reasons, but the issue of whether and how Bill himself might serve remains very much alive and in play.

In short, everyone wants to organize the effort better, but many people are wary about the idea of creating still yet another source of authority on the subject to lend to the complexity. The agencies have argued against it, and at this juncture I do not believe that trying to set up a special Czar would help because it would raise difficult and thorny issues of funding, lines of authority verses statutory responsibilities, etc. This is particularly true when we have some very major decisions due to occur this fall on the proposed recovery plan for listed salmon from Washington to California, etc.

The inclusion of major regional public figures into the effort is a good idea, and we are trying to sort out exactly how to best accomplish it while we work out the intergovernmental mechanics with the states and tribes.

I will plan to report to you and the POTUS the status of this by the middle of September, and I have also asked Will Stelle to meet with Bill Bradbury to discuss all these approaches with him in the meantime.

Please let me know if further information would be useful at this time, and I would be happy to furnish it.

cc. Martha Foley



United States Department of the Interior

94 AUG 21 10:20 AM
OFFICE OF THE SECRETARY
Washington, D.C. 20240

THE PRESIDENT HAS SEEN

8/17/94

To: Mack McLarty

From: Tom Collier, Chief of Staff and
Ken Smith, Deputy Director - Congressional Affairs - DOI

Date: August 1, 1994

Re: Representative Jay Dickey

Mr. President,
I think this
matter has been
suitably handled.
Let me know if
you desire more.

Mack
Middleton

About two weeks ago, Representative Jay Dickey requested a meeting with Mollie Beattie, Director of the U.S. Fish and Wildlife Service (FWS), to complain about possible elimination of hunting on national wildlife refuges, particularly those in south Arkansas. Beattie had agreed to the meeting and other meetings with other congressional members as part of an effort to reduce mounting concern about hunting on national wildlife refuges.

Dickey became involved after he had read a June 1994 article in the Pine Bluff Commercial that alleged the Clinton Administration and its appointees to the Department of Interior were anti-hunting. The alleged proof for this administration being anti-hunting, as stated in the newspaper article, was that the Service had entered into an agreement (in response to a lawsuit) with several environmental groups requiring the Service to make written compatibility determinations of all uses, wildlife and nonwildlife, that occur on a refuge. The lawsuit was directed primarily at military overflights, grazing, and jetboating on refuge lands, not hunting or fishing. Written compatibility determinations already are required by law (refuge acts passed in 1962 and 1966). The Service in the settlement said it simply would comply with the law.

A second issue, refuges are seriously underfunded and have been for years, also figured into the allegation the Administration is anti-hunting. These two issues plus a memorandum Beattie sent out in March 1994 asking for recommendations for eliminating nonwildlife uses and other uses (even wildlife) that benefit only a few individuals (for budgetary purposes) and are costly to administer have fueled an uproar in many states, particularly those states in the South, against any budget cuts on refuge lands that might involve hunting.

Jay Dickey picked up on this as a campaign issue in south Arkansas. He held one public meeting in Warren, Arkansas, last week in which he said "we will ask Mollie Beattie for answers, but we won't listen to her....that this Administration, as represented by her, is anti-gun, anti-hunting, etc."

-2-

Beattie understands that Dickey is setting her up and has decided to not have the August 3 meeting with him. She plans to call Dickey today canceling the meeting as well as to issue a press release giving the reasons for not meeting with Dickey and will seek instead to communicate directly with the hunters of Arkansas. The Service recently sent out a news release stating that hunting will not be affected in Fall 1994. The memo also explains the lawsuit agreement and budgetary problems on the refuge system.

DOI personnel have maintained close contact with both Jay Bradford and Senator Bumpers on this issue. DOI folks also have met with Representative Blanche Lambert, have visited with Carmie Henry of Senator Pryor's staff, have talked with each member of the Arkansas Game and Fish Commission, have met with the Congressional Sportsmen Caucus and every national hunting organization on this issue, and have talked with dozens of outdoor writers and other news media in efforts to bring this issue under control. Concern, though, still remains high among the hunting crowd.

Secretary Babbitt called Jay Bradford last week and offered to assist with an event(s) in the 4th Congressional District, possibly Hot Springs, Arkansas.

THE PRESIDENT HAS SEEN

THE WHITE HOUSE

WASHINGTON

94 AUG 16 P7:40

August 16, 1994

8/17/94

MEMORANDUM FOR THE PRESIDENT

FROM: Alexis Herman *et*

RE: Statement from African-American
Religious Leaders

The attached list of ministers have expressed support for the passage of the Crime Bill.

Attachment

AMH:rgm

*I shall sign
them to them*

THE WHITE HOUSE
Office of Media Affairs

FOR IMMEDIATE RELEASE

August 16, 1994
Contact: Keith Boykin
(202) 456-7150

STATEMENT BY AFRICAN-AMERICAN RELIGIOUS LEADERS

Washington -- The White House today released the following statement by African-American religious leaders supporting the crime bill.

"In the words of an African proverb 'It takes an entire village to raise a child.' We believe there is no more important responsibility of society than to raise its children to become upstanding adults. Parents and families must shoulder the burden of this duty, but all of society -- including government -- must pitch in. That is why we support the President's crime bill.

While we do not agree with every provision in the crime bill, we do believe and emphatically support the bill's goal to save our communities, and most importantly, our children.

We believe and support the \$8 billion in the bill to fund prevention programs such as grants for recreation, employment, anti-gang and comprehensive programs to steer our young people away from crime.

We believe in drug treatment to help get federal and state inmates out of the cycle of dependency.

We believe in programs to fight violence against women.

We believe in banning assault weapons, and preventing these deadly devices from falling into the hands of criminals and drug dealers.

We believe in putting 100,000 well-trained police officers on the streets of our most violence-plagued communities and urban areas.

We believe that 9-year-olds like James Darby of New Orleans, who was killed by a stray bullet only days after writing a plea to President Clinton to stop the violence, must have the opportunity to live and learn and grow in safe, decent communities.

For all these reasons, we support the crime bill and we urge others to join us in this crusade."

####

Charles Adams
National Progressive Baptist Convention, President
Detroit, Michigan

Bishop H.H. Brookins,
AME Denomination
Los Angeles, California

Rev. Dr. Amos Brown
Third Baptist Church
San Francisco, CA

Bishop E. Lynn Brown
Christian Methodist Episcopal
Los Angeles, California

Rev. John A. Cherry
Full Gospel AME Zion Church
Temple Hill, MD

Rev Howard Chubbs
Providence Baptist Church
Greensboro, N.C.

Father George Clements
The Alliance for Rights and Responsibilities
Washington, D.C.

Bishop J. Clinton Hoggard
AME ZION Church
Washington, DC

Rev. John Doggett, Superintendent
United Methodist Church
St. Louis, MO

Rev Jerry Drayton
New Bethel
Baptist Church
Winston-Salem, N.C.

Rev. Walter Fauntroy
New Bethel Baptist Church
Washington, D.C.

Bishop Louis Ford
Church of God in Christ
Chicago, Illinois

Bishop William Graves
Christian Methodist Episcopal Church
Memphis, Tennessee

Rev. Joe Hardwick
Praises of ZION Baptist Church
Los Angeles, CA

Rev Calvin A. Harper
Morning Star Baptist Church
Cincinnati, OH

Bishop Fred James
AME Denomination
Washington, DC

Dr. T.J. Jemison, President
National Baptist Convention USA
Baton Rouge, LA

Rev E. Edward Jones
Galilee Baptist Church
Shreveport, LA

Rev. Odell Jones
Pleasant Grove Baptist Church
Detroit, Michigan

Rev. William A. Jones Jr.
Bethany Baptist Church
Brooklyn, NY

Rev W. B. Lewis
President North Carolina General State Baptist Convention
Raleigh, NC

Bishop S.C. Madison
United House of Prayer
Washington, D.C.

Bishop Haskell Mayo
African Methodist Episcopal
Fourth Episcopal District
Chicago, Illinois

Rev. Randall McCaskell
Concerned Black Clergy of Philadelphia, President
Philadelphia, Pennsylvania

Dr. John Miles
Morning Star Missionary Baptist Church
Kansas City, Missouri

Rev. James E. Milton
Southern Baptist Church
Cincinnati, OH

Rev Dr. Frank Pinkard
Evergreen Baptist Church
Oakland, CA

Bishop Norman Quick
Church of God in Christ
New York, New York

Dr. W. Franklyn Richardson, General Secretary
National Baptist Convention USA
Mt. Vernon, NY

Joseph L. Roberts Jr.
Ebenezer Baptist Church
Atlanta, GA

Bishop J.H. Sherman
Church of God in Christ
Charlotte, North Carolina

Rev. Dr. E.E. Stafford
Mt. Tabor Baptist Church
Los Angeles, CA

Rev. Charles Stith
Union United Methodist Church
Boston, Massachusetts

Bishop Frederick Talbot
African Methodist Episcopal
Arkansas/Oklahoma

Dr. M.T. Thompson
Berkeley Mount ZION Baptist
Berkeley, CA

Wyatt T. Walker
Canaan Baptist Church
New York, NY

Bishop L.T. Walker
Church of God in Christ
Little Rock, Arkansas

Bishop George W. Walker Sr.
AME Zion Denomination
New York, NY

Dr. Kenneth Whalum
Olivet Baptist Church
Memphis, Tennessee

Rev. Frederick Williams
Episcopal Church of the Intercession
New York, NY

Bishop Milton Williams
AME Zion Church
Washington, DC

Alvin

THE WHITE HOUSE
WASHINGTON

DATE: 8/17/94

NOTE FOR: Bruce Reed

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

Information ☐

Action ☐

Thank you.

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

cc:

THE PRESIDENT HAS SEEN
8.16.24

Interesting piece



100-100000-100000

E. J. Dionne Jr.

Little Old Moderates

There are few more hallowed words in Washington than "moderate" and "bipartisan." But like all talismanic terms, they are subject to enormous abuse. They are being badly abused now in both the health care and crime debates.

Almost everybody likes to be thought of as moderate, which is the opposite of "extreme" or "dogmatic" or "unreasonable." But the definition of moderate is peculiarly relative. Moderates, aka middle-of-the-roaders, take their stand in the middle of a fight. So what is considered moderate depends on where the fight is being fought—on what options are taken seriously.

Two years ago, a reasonably objective outsider would have described the spectrum in the health care debate as running from those who favored very modest changes in the current system to advocates of a Canadian-style "single payer" system run and paid for by the government.

Within the do little vs. single payer spectrum, there were many possible definitions of moderation. A moderate might be seen as someone who rejected a government takeover of the whole health system and thought the currently insured should be taken care of roughly as they are now—in most cases through insurance bought by their employers. Since the employer-based system works pretty well, why not just extend it to everyone by making health care coverage a normal part of the compensation of all workers? Why not also include some cost controls to answer the legitimate concerns of companies about spiraling health expenses? And why not create large buying pools for smaller employers so they could get the same breaks on price that big employers get?

Those, roughly, were the principles of the original Clinton plan. They don't sound extremist, do they? But a funny thing happened to the political spectrum. First, the single payer option, favored by about 100 members of Congress, was ruled out of the discussion by fiat. It was said, correctly, that it had no chance of passing. It's also true that a wholesale government takeover of the part of the health system now run privately could have caused as many problems as it solved. What's not true is that the single payer idea was, in and of itself, kooky. Canadians, not a notoriously radical lot, generally like their system. And whatever you think of single payer, it's clearly true that if you take it out of the discussion entirely, the definition of "moderate" skitters ever closer to the status quo. Clinton's plan starts looking "extreme."

The balance at the other end of the argument changed, too—also in favor of the status quo. At the beginning of this debate, Senate Minority Leader Bob Dole and a large number of Republicans rallied to the far-reaching changes proposed by Sen. John Chafee (R-R.I.) that promised universal coverage. But as time went on, Dole and almost all of Chafee's other Republican allies simply abandoned his plan and joined with the party's right wing in saying no to almost anything.

In this new spectrum, what used to be "moderate" is now seen as daring. Take Senate Majority Leader George Mitchell's proposal. Compared with Clinton's original plan, let alone single payer, it is a

moderate's dream. It postpones universal coverage until after the millennium; it tries to control costs through all those market mechanisms that "moderates" used to praise; instead of having an employer mandate upfront, it tries to help the uninsured with the sort of subsidies that certified "moderates" such as Chafee and Rep. Jim Cooper (D-Tenn.) used to push.

But now that both single payer and the Clinton plan are dead, Mitchell is out on the wing. Instead of declaring victory, alleged moderates denounce Mitchell and just keep moving yet further away from change. Cooper, who once offered a serious and sweeping alternative to the Clinton plan, now struggles to patch together something that would barely nudge the number of uninsured upward. He has abandoned his grand design in a chase for support from Republicans, most of whom keep running away whenever a Democrat moves in their direction. It's an approach that could kill health care reform entirely.

The main hope for action now rests with a handful of Republicans who still merit the label "moderate"—especially Chafee, and Sens. John Danforth and Dave Durenberger. Dole criticized the three on Sunday, the surest sign that they actually want to pass a bill. If this gang of three has the courage to deal with Mitchell, they may also bring along other Republicans, such as Maine Sen. Bill Cohen. But they should be under no illusions: Whatever they agree to will be denounced by most of their Republican colleagues as "statist," "bureaucratic" or "socialist."

The crime bill is, if anything, a more extreme case of wacky terminology, this time involving the word "bipartisan." If ever there were a bill that gave Republicans much of what they wanted, this was it, which is why so many Republicans voted for it originally. Liberal Democrats have had to swallow 60 new death penalties. The Republicans asked for more money for prison construction, and they got it. They said that they couldn't vote for a bill that included statistical tests for whether the death penalty discriminated against African Americans. So that provision was dropped.

Yet when the time came last week, all but 11 House Republicans voted to kill the bill, inventing new rationales for changing their votes. What House Republican Whip Newt Gingrich and conservative Democrats seem to be saying is that a bill is "bipartisan" only if the House leadership agrees to kill every provision in it favored by liberals, supporters of gun control or big-city mayors.

President Clinton, it is true, has brought many problems onto himself. He has not done well at influencing the health care debate or in dealing with Republicans who might be sympathetic to his agenda. But the fierce partisanship that now threatens both the crime and health care bills is rooted in more than Clinton's mistakes. It is part of a Republican strategy aimed at blocking any actions that might help Democratic candidates this fall and Clinton two years from now. The Republicans have every right to pursue this strategy; it may work. But please, Messrs Dole and Gingrich, spare us this talk about bipartisanship and moderation.

THE WASHINGTON POST TUESDAY, AUGUST 16, 1994

THE WHITE HOUSE
WASHINGTON

Chro

DATE: 8/17/94

NOTE FOR: Mark and George

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

Information ☐

Action ☐

Thank you.

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

CC:

The politics of crime

Here's what a bipartisan bill should look like

The White House has signaled its willingness to accept "reasonable compromises" to get a crime bill passed this year. Yet President Clinton refuses to meet with Republican congressional leaders, with whom he should be trying to find common ground.

Instead, the president is stumping around the country, from convention sites to pulpits, attacking not only Republicans but also the 58 Democrats who refused to let the outrageously costly bill come to the House floor for a vote.

When the president gets out of the campaign mode, maybe he can get on with the business of working out much-needed improvements in the crime bill.

The White House says there are three provisions in the bill that must be preserved: funds for 100,000 cops, the ban on 19 types of assault weapons and at least some money for "prevention" programs.

Neither the Republican minority nor the 58 defecting Democrats have a problem with the new cops. But the assault weapons ban and the \$9.1 billion for prevention programs are real sticking points.

Here's the way to resolve these issues: Take the meritorious assault weapons ban out of the crime bill. Make it a separate measure.

It passed the Senate separately, with at least a handful of Republicans sensibly joining ranks with Democrats. It just might pass the House, since it would attract the support of Congressional Black Caucus members, who voted against the crime bill because it excluded the so-called Racial Justice Act, and moderate Republicans who voted against the

bill because of its exorbitant social spending.

When the House first considered the crime bill, it had a \$22 billion price tag. Then it shot up to \$26 billion. Now it stands at a whopping \$33 billion.

The \$10.6 billion slated to go to state and local law enforcement is justifiable, as is the \$8.3 billion earmarked for prisons and the \$2.5 billion for federal law enforcement. But the \$9.1 billion for social programs — dressed up as "crime prevention" programs — is simply pork barrel spending. It includes, for example, \$10 million thrown in for a criminal justice center at House Judiciary Committee Chairman Jack Brooks' alma mater in Texas.

The White House says it may be willing to accept less funding for these dubious programs.

But they should be jettisoned from the bill altogether.

The federal government does not need to set up, say, midnight basketball leagues for the HIV-infected. (It's in the crime bill.) Nor should it be setting up new arts, crafts and dance programs also in the bill).

If Congress genuinely wants to set aside money for authentic crime prevention programs, it should provide state and local governments with block grants. That would give state and local officials discretion to fund those programs that they have found to be most effective in discouraging crime.

It is a cliché among members of Congress that "no bill is perfect." But the American people are not looking for a perfect crime bill, just a measure that is better than the one the House rejected last week.

What
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THE PRESIDENT HAS SEEN

8-16-94

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THE PRESIDENT WAS SEEN

8/16/94

Chin

THE WHITE HOUSE
WASHINGTON

August 16, 1994

RECOMMENDED TELEPHONE CALL

*I did - Thanks
Doesn't look good for her*

TO:

Congressman Jim Moran
202-884-4428 (Children's Hospital Holding Room)

DATE:

August 16, 1994 (today)

RECOMMENDED BY:

Joan N. Baggett JNB
Pat Griffin

PURPOSE:

To relay your concern and support for Congressman Moran's 3-year-old daughter, Dorothy, who is being treated for cancer.

BACKGROUND:

Dorothy Moran underwent surgery on Saturday during which doctors discovered a malignant tumor on the base of her brain. According to Moran's office, Dorothy had been ill for several days but the family did not have any indications that her illness was severe -- thus this has all been very sudden.

Dorothy was undergoing tests yesterday to determine if the cancer has spread. Her prognosis at this time is uncertain but not promising. Doctors hope to have further information on her condition sometime this week.

TOPICS OF DISCUSSION: Let Jim know that your thoughts and prayers are with him, his wife Mary, and the rest of their family for Dorothy's recovery.

CONTACT PERSON AND
TELEPHONE NUMBERS:

202-884-4428

(This is the only line going into the holding room for the Moran family at Children's Hospital in the district. If you call Moran's AA, Mame Reiley, at 225-4376 when you have an approximate time that the President will be calling, they will be sure that the line is open.)



THE WHITE HOUSE
WASHINGTON

DATE: 08/16/94

TO: BOB DAMUS
MAC REED

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



For your clearance.

The original package is in my
office.





DEPARTMENT OF HEALTH & HUMAN SERVICES

Chief of Staff

Washington, D.C. 20201

AUG 11 1994

MEMORANDUM FOR THE HONORABLE CHRISTINE VARNEY
SECRETARY TO THE CABINET

FROM: Kevin Thurm *[Signature]*

SUBJECT: The President's Council on Physical Fitness and Sports
(PCPFS) Executive Order

The President's Council on Physical Fitness and Sports (PCPFS) has been conducting its physical fitness activities under Executive Order (E.O.) 12345 issued February 2, 1982. The Department and the PCPFS recommend that the E.O. be amended as indicated in the attached E.O. for the President's signature. If I can be of additional assistance, please let me know.

Attachment

Laurie O.K. to go to Podesta



THE SECRETARY OF HEALTH AND HUMAN SERVICES
WASHINGTON, D.C. 20201

AUG 11 1994

94 AUG 15 P4:22

MEMORANDUM FOR THE PRESIDENT

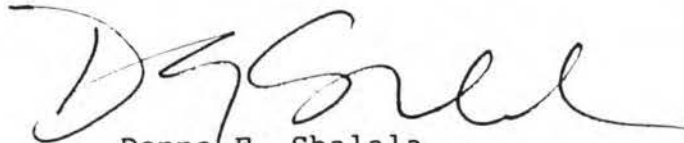
The President's Council on Physical Fitness and Sports (PCPFS) has been conducting its physical fitness activities under Executive Order (E.O.) 12345 (Tab A), issued February 2, 1982. The Department and the PCPFS recommend that the E.O. be amended to update the E.O. as specified below. Please note that previously there have been ten Executive Orders which amended E.O. 12345 in minor ways and/or continued the PCPFS.

In addition to a number of editorial changes, the following substantive changes are proposed:

1. Section 1(e) would be amended expressly to include special populations in the categories of individuals for whom community recreation and sports participation will be encouraged.
2. Section 1(i) would be amended to emphasize safety in recreational and sports activity by national sports governing bodies.
3. Section 1 would be amended by adding a new paragraph (k) to encourage the national sports associations to be more populist in their outlooks and programs.
4. Section 1 would be amended by adding a new paragraph (l) relating to the promotion of American sports internationally.
5. Sections 2 and 5(e) would be amended to clarify the relationship between the Department and the PCPFS and to establish the administrative structure to coordinate their activities.
6. Finally, section 5(f), as redesignated, would be deleted. This paragraph is obsolete in that it continues the Council seal prescribed by a 1959 Executive Order; that seal has not been used since 1968 when the Council adopted its present seal.

Page 2 - The President

The complete text of E.O. 12345 as amended by the new and yet unnumbered Executive Order appears at Tab B. The Executive Order which would be issued is at Tab C.



Donna E. Shalala

Enclosures

TAB A

EXECUTIVE ORDER #12345

- - - - -

PHYSICAL FITNESS AND SPORTS

By virtue of the authority vested in me as President of the United States of America, and in accordance with the Federal Advisory Committee Act, as amended (5 U.S.C. App.), in order to expand the program for physical fitness and sports and to continue the President's Council on Physical Fitness and Sports, it is hereby ordered as follows:

Section 1. The Secretary of Health and Human Services shall, in carrying out responsibilities for public health and human services, develop and coordinate a national program for physical fitness and sports. The Secretary shall:

- (a) Enlist the active support and assistance of individual citizens, civic groups, private enterprise, voluntary organizations, and others in efforts to promote and improve the fitness and health of all Americans through regular participation in physical fitness and sports activities.
- (b) Initiate programs, special events, and media campaigns to inform the general public of the importance of exercise and the link that exists between regular physical activity and such qualities as good health, safety and effective performance.
- (c) Strengthen coordination of Federal services and programs relating to physical activity and sports participation and invite appropriate Federal agencies to participate in an interagency committee to coordinate physical fitness and sports activities.
- (d) Encourage Federal agencies and State and local governments to emphasize the importance of regular physical activity and sports participation by supporting programs in schools and communities to the extent permitted by law.
- (e) Advance the physical fitness and health of children, youth, adults, older adults and special populations by systematically encouraging the development of community recreation, physical activity and sports participation programs.

- (f) Develop cooperative programs with medical, dental, and other similar professional societies to encourage the implementation of sound physical fitness practices and sports medicine services.
- (g) Stimulate and encourage research in the areas of sports medicine, physical fitness, physical activity and sports performance.
- (h) Stimulate and encourage educational agencies at all levels in developing high quality, innovative health and physical education programs which emphasize the importance of exercise to good health.
- (i) Stimulate and encourage recreation agencies and national sports governing bodies at all levels in developing "sports for all" programs which emphasize the value of sports to physical, mental and emotional fitness and which promote safety in recreational and sports activities.
- (j) Assist business, industry, government, and labor organizations in establishing sound physical fitness programs to elevate employee fitness and to reduce the financial and human costs resulting from physical inactivity.
- (k) Encourage the promotion of physical fitness and sports for all Americans consistent with the intent of the Amateur Sports Act.
- (l) Encourage the international exchange and promotion of American sports and physical activity.

Section 2. In carrying out his or her functions under this Executive Order, the Secretary shall work with the President's Council on Physical Fitness and Sports.

Section 3. President's Council on Physical Fitness and Sports.

- (a) There is hereby continued the President's Council on Physical Fitness and Sports.
- (b) The Council shall be composed of twenty members appointed by the President. The President may, as he deems appropriate, designate one or more of the members to be Chairmen and to be Vice Chairmen.

Section 4. Functions of the Council

- (a) The Council shall advise the President and the Secretary concerning progress made in carrying out the provisions of this Order and shall recommend to the President and the Secretary, as necessary, actions to accelerate progress.
- (b) The Council shall advise the Secretary on matters pertaining to the ways and means of enhancing opportunities for participation in physical fitness and sports activities.
- (c) The Council shall also advise the Secretary on State, local, and private actions to extend and improve physical activity programs and services.
- (d) In carrying out its functions, the Council may bring together and consult with other individuals and organizations in arriving at recommendations to the President and Secretary regarding needed changes in public policy concerning physical activity, sports and health initiatives.

Section 5. Administrative Provisions Concerning the Council

- (a) The Secretary and the Council are authorized to request from any Federal agency such information or assistance deemed necessary to carry out their functions under this Order.
- (b) Each Federal agency is authorized, to the extent permitted by law and within available funds, to furnish such information and assistance to the Secretary and the Council as they may request.
- (c) The members of the Council shall serve without compensation for their work on the Council. However, members of the Council may receive travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in government service (5 U.S.C. 5701-5707).
- (d) To the extent permitted by law, the Secretary shall furnish the Council with necessary staff, supplies, facilities and other administrative services. The expenses of the Council shall be paid from funds available to the Secretary.
- (e) The Secretary shall appoint an Executive Director of the Council who shall also serve as the Staff Director. In those capacities, the Director shall, among other things, serve as a liaison between the Council and the Department of Health and Human Services and shall be

authorized to implement, subject to the availability of funds, such of those Council recommendations as the President or Secretary may approve.

Section 6. General Provisions Concerning the Council.

- (a) Notwithstanding the provisions of any other Executive Order, the functions of the President under the Federal Advisory Committee Act, as amended (5 U.S.C. App.), except that of reporting annually to the Congress, shall be performed by the Secretary in accordance with guidelines and procedures established by the Administrator of General Services.
- (b) In accordance with the Federal Advisory Committee Act, as amended, the Council shall terminate on September 30, 1995, unless sooner extended.

TAB B

Executive Order _____ of _____, 1994

Amendments to Executive Order No. 12345--President's Council on Physical Fitness and Sports

By the authority vested in me as President of the United States of America, and in accordance with the Federal Advisory Committee Act, as amended (5 U.S.C. App.), it is hereby ordered as follows:

Amendment of Executive Order No. 12345. Executive Order No. 12345 of February 2, 1982, is amended as follows:

- (a) Section 1(a) is amended by inserting "and health" after "fitness", the first time it appears.
- (b) Section 1(b) is amended by inserting a comma after "Initiate programs" and thereafter inserting "special events, and media campaigns" and by striking "which" and inserting instead "that".
- (c) Section 1(c) is amended by striking "fitness" the first time it appears and inserting instead "activity".
- (d) Section 1(d) is amended to read as follows:

Encourage Federal agencies and State and local governments to emphasize the importance of regular physical activity and sports participation by supporting programs in schools and communities to the extent permitted by law.

- (e) Section 1(e) is amended to read as follows:

Advance the physical fitness and health of children, youth, adults, older adults and special populations by systematically encouraging the development of community recreation, physical activity and sports participation programs.

- (f) Section 1(g) is amended by inserting "physical activity" after "physical fitness,".
- (g) Section 1(h) is amended by striking the word "Assist" and inserting instead "Stimulate and encourage".
- (h) Section 1(i) is amended by striking the word "Assist" and inserting instead "Stimulate and encourage" and by inserting the following phrase after the word "fitness" at the end of the sentence: "and which promote safety in recreational and sports activities".

- (i) Section 1 is amended by adding new paragraphs (k) and (l) to read as follows:

(k) Encourage the promotion of physical fitness and sports for all Americans consistent with the intent of the Amateur Sports Act.

(l) Encourage the international exchange and promotion of American sports and physical activity.

- (j) Sections 2 through 5 are amended by redesignating them as Sections 3 through 6 and a new Section 2 is inserted to read as follows:

Section 2. In carrying out his or her functions under this Executive Order, the Secretary shall work with the President's Council on Physical Fitness and Sports.

- (k) Section 4 is amended by adding a new paragraph (d) to read as follows:

In carrying out its functions, the Council may bring together and consult with other individuals and organizations in arriving at recommendations to the President and Secretary regarding needed changes in public policy concerning physical activity, sports and health initiatives.

- (l) Section 5(e) is amended by revising it to read as follows:

The Secretary shall appoint an Executive Director of the Council who shall also serve as the Staff Director. In those capacities, the Director shall, among other things, serve as a liaison between the Council and the Department of Health and Human Services and shall be authorized to implement, subject to the availability of funds, such of those Council recommendations as the President or Secretary may approve.

- (m) Section 5(f), as redesignated above, is deleted.

WILLIAM J. CLINTON

THE WHITE HOUSE
(DATE)



TAB C

Codification of Presidential Proclamations and Executive Orders

under the direction of the head of their agency, the implementation of changes ordered by the President in sex-discriminatory Federal regulations, policies, and practices.

(b) The Task Force shall periodically report to the President on the progress made throughout the Government in implementing the President's directives.

(c) The Attorney General shall complete the review of Federal laws, regulations, policies, and practices which contain language that unjustifiably differentiates, or which effectively discriminates, on the basis of sex. The Attorney General or his designee shall, on a quarterly basis, report his findings to the President through the Cabinet Council on Legal Policy.

[Sec. 2 amended by EO 12355 of Apr. 1, 1982, 47 FR 14479, 3 CFR, 1982 Comp., p. 165]

SEC. 3. Administration. (a) The head of each Executive agency shall, to the extent permitted by law, provide the Task Force with such information and advice as the Task Force may identify as being useful to fulfill its functions.

(b) The agency with its representative chairing the Task Force shall, to the extent permitted by law, provide the Task Force with such administrative support as may be necessary for the effective performance of its functions.

(c) The head of each agency represented on the Task Force shall, to the extent permitted by law, furnish its representative such administrative support as is necessary and appropriate.

SEC. 4. General Provisions. (a) Section 1-101(h) of Executive Order No. 12258, as amended, is revoked.

(b) Executive Order No. 12135 is revoked.

(c) Section 6 of Executive Order No. 12050, as amended, is revoked.

Executive Order 12345—Physical fitness and sports

SOURCE: The provisions of Executive Order 12345 of Feb. 2, 1982, appear at 47 FR 5189, 3 CFR, 1982 Comp., p. 130, unless otherwise noted.

By virtue of the authority vested in me as President of the United States of America, and in accordance with the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), in order to expand the program for physical fitness and sports and to continue the President's Council on Physical Fitness and Sports, it is hereby ordered as follows:

SECTION 1. The Secretary of Health and Human Services shall, in carrying out his responsibilities for public health and human services, develop and coordinate a national program for physical fitness and sports. The Secretary shall:

(a) Enlist the active support and assistance of individual citizens, civic groups, private enterprise, voluntary organizations, and others in efforts to promote and improve the fitness of all Americans through regular participation in physical fitness and sports activities.

(b) Initiate programs to inform the general public of the importance of exercise and the link which exists between regular physical activity and such qualities as good health and effective performance.

(c) Strengthen coordination of Federal services and programs relating to physical fitness and sports participation and invite appropriate Feder-

Chapter 45—Public Welfare

al agencies to participate in an interagency committee to coordinate physical fitness and sports activities of the Federal establishment.

(d) Encourage State and local governments to emphasize the importance of regular physical fitness and sports participation.

(e) Seek to advance the physical fitness of children, youth, adults, and senior citizens by systematically encouraging the development of community recreation, physical fitness, and sports participation programs.

(f) Develop cooperative programs with medical, dental, and other similar professional societies to encourage the implementation of sound physical fitness practices and sports medicine services.

(g) Stimulate and encourage research in the areas of sports medicine, physical fitness, and sports performance.

(h) Assist educational agencies at all levels in developing high quality, innovative health and physical education programs which emphasize the importance of exercise to good health.

(i) Assist recreation agencies and national sports governing bodies at all levels in developing "sports for all" programs which emphasize the value of sports to physical, mental, and emotional fitness.

(j) Assist business, industry, government, and labor organizations in establishing sound physical fitness programs to elevate employee fitness and to reduce the financial and human costs resulting from physical inactivity.

SEC. 2. *President's Council on Physical Fitness and Sports.* (a) There is hereby continued the President's Council on Physical Fitness and Sports.

(b) The Council shall be composed of fifteen members appointed by the President. The President shall designate one of the members to be the Chairman.

SEC. 3. *Functions of the Council.* (a) The Council shall advise the President and the Secretary concerning progress made in carrying out the provisions of this Order and shall recommend to the President and the Secretary, as necessary, actions to accelerate progress.

(b) The Council shall advise the Secretary on matters pertaining to the ways and means of enhancing opportunities for participation in physical fitness and sports activities.

(c) The Council shall also advise the Secretary on State, local, and private actions to extend and improve physical activity programs and services.

SEC. 4. *Administrative Provisions Concerning the Council.* (a) The Secretary and the Council are authorized to request from any Federal agency such information or assistance deemed necessary to carry out their functions under this Order.

(b) Each Federal agency is authorized, to the extent permitted by law and within available funds, to furnish such information and assistance to the Secretary and the Council as they may request.

(c) The members of the Council shall serve without compensation for their work on the Council. However, members of the Council may receive travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in government service (5 U.S.C. 5701-5707).

(d) To the extent permitted by law, the Secretary shall furnish the Council with necessary staff, supplies, facilities, and other administra-

Codification of Presidential Proclamations and Executive Orders

tive services. The expenses of the Council shall be paid from funds available to the Secretary.

(e) The Secretary shall appoint an Executive Director of the Council.

(f) The seal prescribed by Executive Order No. 10830 of July 24, 1959, as amended, shall continue to be the seal of the President's Council on Physical Fitness and Sports continued by this Order.

SEC. 5. General Provisions Concerning the Council.

(a) Notwithstanding the provisions of any other Executive Order, the functions of the President under the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), except that of reporting annually to the Congress, shall be performed by the Secretary in accordance with guidelines and procedures established by the Administrator of General Services.

(b) In accordance with the Federal Advisory Committee Act, as amended, the Council shall terminate on December 31, 1982, unless sooner extended.

(c) Executive Order No. 11562, as amended, is revoked.

EDITORIAL NOTE: The President's Council on Physical Fitness and Sports was continued until Sept. 30, 1985, by EO 12489 of Sept. 25, 1984, 49 FR 38927, 3 CFR, 1984 Comp., p. 222. Executive Order 12489 also provides that, notwithstanding the provisions of any other Executive order, the functions of the President under the Federal Advisory Committee Act which are applicable to the Council, except that of reporting annually to Congress, shall be performed by the Secretary of Health and Human Services in accordance with guidelines and procedures established by the Administrator of General Services.

Executive Order 12367—President's Committee on the Arts and the Humanities

SOURCE: The provisions of Executive Order 12367 of June 15, 1982, appear at 47 FR 26119, 3 CFR, 1982 Comp., p. 180, unless otherwise noted.

By the authority vested in me as President of the United States, and to establish, in accordance with the provisions of the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), an advisory committee to assist in efforts to increase private sector support for the arts and the humanities, it is hereby ordered as follows:

SECTION 1. Establishment. (a) There is established the President's Committee on the Arts and the Humanities. The Committee shall be composed of the Chairman of the National Endowment for the Arts; the Chairman of the National Endowment for the Humanities; the Secretary of the Treasury; the Secretary of the Interior; the Secretary of Education; the Administrator of General Services; the Director of the Institute of Museum Services; the Director of the International Communication Agency; a member designated by the Secretary of State; and not more than twenty persons who are not full-time officers or employees of the Federal Government ("non-Federal members"), who shall be appointed by the President and shall be selected from among private individuals and State and local public officials who have a demonstrated interest in and commitment to support for the arts or the humanities. In addition, the Majority Leader of the Senate and the Speaker of the House of Representatives are each invited to designate a member of the Committee for appointment by the President, and the Librarian of Congress, the Secretary of the Smithsonian Institution, the

EO 12692

Title 3—The President

Sec. 5. This order shall be effective September 30, 1989.

GEORGE BUSH

THE WHITE HOUSE,

September 29, 1989.

Executive Order 12693 of September 29, 1989

Exclusion of the Defense Mapping Agency Reston Center and Elements Under the Joint Special Operations Command From the Federal Labor-Management Relations Program

By the authority vested in me as President by the Constitution and laws of the United States of America, including section 7103(b)(1) of title 5 of the United States Code, and having determined that the Defense Mapping Agency Reston Center and the elements under the operational control of the Joint Special Operations Command have as a primary function intelligence, counterintelligence, investigative, or national security work and that the provisions of Chapter 71 of title 5 of the United States Code cannot be applied to those organizations in a manner consistent with national security requirements and considerations, Executive Order No. 12171 of November 19, 1979, as amended, is further amended as follows:

Section 1. Section 1-212(v) is amended by deleting the period and inserting in lieu thereof "and all elements under its operational control."

Sec. 2. A new section is inserted after section 1-214 as follows:

"1-215. The Defense Mapping Agency Reston Center, Department of Defense."

GEORGE BUSH

THE WHITE HOUSE,

September 29, 1989.

Executive Order 12694 of October 11, 1989

Amending Executive Order No. 12345

By the authority vested in me as President by the Constitution and laws of the United States of America, including the Federal Advisory Committee Act, as amended (5 U.S.C. App.), and in order to amend Executive Order No. 12345, as amended, to provide for the option of selecting one or more Chairmen and Vice Chairmen from among the members of the President's Council on Physical Fitness and Sports, it is hereby ordered that Executive Order No. 12345, as amended, is amended as follows:

Section 1. The second sentence of Section 2(b) shall read "The President may, as he deems appropriate, designate one or more members to be Chairmen and to be Vice Chairmen."

Executive Orders

EO 12696

Sec. 2. This order is effective immediately.

GEORGE BUSH

THE WHITE HOUSE,

October 11, 1989.

Executive Order 12695 of November 1, 1989

Delegation of Debt Relief Authority

By the authority vested in me as President by the Constitution and laws of the United States of America, including the Foreign Assistance Act of 1961, as amended, and section 572 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989 (Public Law 100-461, 102 Stat. 2268), and in order to delegate certain relief authority to the Administrator of the Agency for International Development, it is hereby ordered as follows:

Section 1. *Delegation of Presidential Authority under Section 572 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989.* Section 1-102(a) of Executive Order No. 12163, as amended, is further amended by (A) deleting "and" at the end of subsection (9), (B) deleting the period and inserting "and" at the end of subsection (10), and (C) adding a subsection (11) as follows:

"(11) section 572 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989 (Public Law 100-461), to be exercised by the Administrator of the Agency for International Development within IDCA, with the concurrence of the Development Coordination Committee, as established by section 640B of the Act and as provided for herein."

Sec. 2. Effective Date. This order shall take effect immediately.

GEORGE BUSH

THE WHITE HOUSE,

November 1, 1989.

Executive Order 12696 of November 13, 1989

President's Drug Advisory Council

By the authority vested in me as President by the Constitution and laws of the United States of America, and in order to establish, in accordance with the provisions of the Federal Advisory Committee Act, as amended (5 U.S.C. App. 2), an advisory committee to assist in the development, dissemination, explanation, and promotion of national drug control policy, it is hereby ordered as follows:

Section 1. Establishment. (a) There is established the President's Drug Advisory Council in the Federal Government. The Council shall be composed

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Coalition Reaching to The Middle

Second of two articles

By David Von Drehle
Washington Post Staff Writer

AT

DES MOINES

The leadership of the Christian Coalition has seen the future, and it looks like a man named Tom Moore.

Two years ago, Moore was an ordinary middle-class businessman with a house in the suburbs and two children, a riding lawn mower and a faint interest, if any, in politics.

Then he came across a book—"Bankruptcy 1995"—which forecast the collapse of the U.S. economy under a mountain of debt. The book's vivid charts and dire graphs brought the deficit home to him in a powerful way. Moore wrote his congressman, saying: "We've got to stop this, gotta get this under control."

As the proprietor of a ComputerLand franchise, Moore couldn't pile up debt without end. "But the government was spending \$300 billion or \$400 billion in debt every year and putting the burden on my kids," he said.

White, middle-class, disaffected, concerned about the deficit: Moore sounded like a perfect Perot voter, the sort both parties are scrambling to capture. But Moore was a typical American in another way: He was a church-going Christian. One thing led to another. Moore's religion converged with his political awakening.

Now he is the new executive director of the Christian Coalition in Iowa, charged with fund-raising and administration of the most powerful force in the state Republican party. Frugal with taxes, skeptical of government, deeply traditional but willing to bend a little—Moore's mainstream face is the image the coalition hopes to present to the nation.

In America's two-party politics, Rule

COALITION, From A1

No. 1 says that a group can operate on the fringe and be out of power, or appeal to the middle and have a shot at governing. With surprising speed in the past two years, the Christian Coalition has become the most effective force on the conservative end of the GOP. Strong on the fringe, its leaders in Iowa and nationally are looking to move toward the center.

And their first great test is likely to come here. Eighteen months from now, Iowa Republicans will go to their caucuses—first in the nation—and boost someone to the front of the presidential primary pack.

The coalition is better at getting voters to GOP caucuses than anyone else in Iowa; the results will say a lot about the future of the coalition and the Religious Right in general.

"If they are going to attempt to narrow the definition of what it means to be Republican, then there will be hell to pay

over," a leading GOP moderate said recently. "They will choose a new state chairman next year, and if that person is hard-right, strictly antiabortion, it could divide the party going into the primary. We could be split right from the start."

But Tom Moore says he's not narrow and he's not looking to split anyone. He's "just a normal, law-abiding, tax-paying American trying to move things back to the conservative side a little," he says. And he believes that if he supports the Christian Coalition, plenty of others will too: People who never paid much attention to politics until Election Day. People who were disappointed by the quality of candidates but unaware how candidates are chosen.

"I think there's a lot of people out there, Christian or not, wondering what's going on. There's a raw nerve laying exposed out there," Moore said in his living room one recent afternoon. "Where's this country headed for my children? That's the nerve being touched. They don't think it's headed in the right direction."

Moore may be onto something. Countless polls confirm that most Iowans and most Americans share his sense that things have gone haywire. The problem is, for the coalition, that most people also reject the often fundamentalist solutions of the Religious Right.

In much of the public mind, religious conservatives are tangled up with issues—like strict bans on abortion, opposition to feminism and the teaching of creationism—that strike most moderates as ambiguous or irrelevant or both. The task, in Iowa and across the country, is to broaden their appeal.

That's why the Christian Coalition is emphasizing "a wide range of issues"—Tom Moore-type issues. According to Ione Dilley, a coalition founder in Iowa: "We're beginning to talk about the balanced budget amendment. What are we going to do that's real about deficit reduction? We favor term limits. Voluntary prayer in schools. Parental choice in education. We oppose federal control of health care."

It's the old Reagan agenda with a few new twists. Ronald Reagan is the coalition's model when it comes to moving from the party fringe to the national middle, though the organization's roots are in the failed campaign of 1988 presidential candidate Pat Robertson, the powerful religious broadcaster.

In Pat Robertson's Campaign

It was in Robertson's campaign that Steve Sheffler and Dilley began working together. Sheffler and Dilley were different from the usual Religious Right campaigners of the 1980s—different from the workers at the Moral Majority, for example. Most experts agree that the Moral Majority failed because it wasn't run by politicians. Sheffler and Dilley were pols: Sheffler was a veteran Republican campaigner; Dilley was a well-known lobbyist for Christian schools.

They were key builders of Robertson's surprising performance in the 1988 Iowa caucuses, where the evangelist finished ahead of the sitting vice president, George Bush. And though the campaign later fizzled, and Bush claimed the nomination, in Iowa the Religious Right learned what was possible if grass-roots voters are organized.

Sheffler and Dilley learned the lesson, and so they held their Robertson structure together even after the candidate was gone. They called this remnant The Advance Group, and nourished it even as Dilley went back to her lobbying and Sheffler joined a losing campaign to oust Iowa's liberal U.S. senator, Tom Harkin, in 1990.

Shortly after that election, Robertson

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schools," where civic neophytes learn the rudiments of politics, precinct caucuses elect delegates to county conventions, county conventions elect the platform committee and delegates fight for spots at the state party convention.

It's nuts and bolts, and the Iowa Christian Coalition has mastered it. This year, coalition supporters packed party precinct meetings, voted in blocs for their candidates and elected a majority of the Iowa Republican State Committee. Since then, party moderates have complained about "authoritarian" tactics and "lock-step" voting. But as Sheffler told one such complainer recently: "That's party politics."

Potent Force in Iowa GOP

Now the group is the most potent single force in the state GOP. "Workers on the so-called Religious Right have been more organized, doing the work, showing up at the meetings," said Iowa state GOP Chairman Richard Schwarm, who is not a coalition member himself.

Outside the party—in general elections—the organization is less muscular. Tax regulations prevent the coalition from directly endorsing candidates; instead they research the voting records and speeches of everyone running and convert their findings into "voter guides." The guides are nicely printed at national headquarters and then poured back into Iowa—and it isn't hard to tell from the selection of issues in the guides which candidates the coalition prefers.

In 1992, Christian Coalition voter guides extolled the conservative voting records of Reps. Jim Lightfoot and Jim Nussle (R-Iowa). Both men won reelection. On the other hand, some Iowa Republicans report that coalition support can damage a candidate in many local campaigns.

The group also lobbies. In '92, the Iowa Christian Coalition worked alongside other Christian conservative organizations—Concerned Women of America, Phyllis Schlafly's Eagle Forum, Focus on the Family and various antiabortion groups—to work the statehouse against an Equal Rights Amendment to the state constitution.

At the Iowa Republican convention here earlier this summer, the whole coalition story was on display: There was the inner-party power, the fledgling effort to expand toward the middle, and the resistance awaiting them, even among Republican moderates.

The power was plainly seen when a luncheon sponsored by the Christian Coalition drew almost as many ticket-buyers as a heavily publicized presidential straw poll. The turnout at the luncheon nearly doubled expectations: 600 box lunches had been prepared; about 1,000 people jammed the banquet room of the downtown Marriott. "We're Christians," a harried organizer said. "Can't someone find some loaves and fishes?"

Ralph Reed, executive director of the national Christian Coalition, was the featured luncheon speaker, and he was the one who reached out toward the middle.

Running down his list of priorities, Reed emphasized mainstream issues: "stronger families, schools that work, tougher laws to deal with criminals, limited government and lower taxes."

The resistance was openly voiced.

"Most of us in the traditional Republican party agree with most of what the Christian Coalition wants. It's just that we disagree with their tactics of exclusion," said Roger Linn, a GOP county chairman from western Iowa. Linn still was stinging from a decision to keep a former national committeewoman out of Iowa's delegation to the Republican convention in Houston two years ago.

"She had been working in this party for 40 years, and instead they sent someone who had never been to a party meeting before the '92 caucus," Linn said.

Religious conservatives are a potent force in the Iowa GOP—a recent Des Moines Register poll found that 34 percent of likely Republican voters said they were "born again" or "fundamentalist" in their religious views—but they are still a minority. And loyal party traditionalists like Linn resent what they believe has been a minority coup.

"They push too hard," he said. "Much as I respect their aims, they are shrinking the width and breadth of the party."

Linn described the coalition as particularly out-of-step on the issue of abortion, which—for small-government Republicans like him—is an issue that "needs a good burying."

So GOP strategists across the country are watching to see where the coalition puts its weight in 1996. By the time the crucial Iowa caucus race hits its stride a year or so from now, there will be many questions raised about its role:

Will the religious conservatives use their power to drive the party to the extreme right—especially on the issue of abortion—risking defeat at the polls and schism in the party? Or will they come together behind a candidate who can speak to the moral and financial concerns of the mainstream?

Are they fighting a war, as several speakers suggested at the 1992 Republican convention? Or are they practicing democracy?

Yepsen, the Register columnist, has seen more of the Iowa Christian Coalition than perhaps any other political observer. So far, he sees the group heading for the middle. After all, the coalition is supporting an abortion rights woman, Joy Corning, for lieutenant governor, because she is conservative on other issues.

"They pick their shots," Yepsen said. "They don't have a take-no-prisoner's policy."

If the Tom Moores of the world are truly the new face of the Religious Right, the coalition might achieve its goal of broad power at the polls. He's energized without being extremist—not the divisive type.

"The beauty of the American system," Moore says, "is we can sit and talk and disagree. The good news about America is that we can have a conversation and work things out. I think we can." A middle-ground man.

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Urban Threat

In Indianapolis, 2 Men Tackle Plight of Blacks In Very Different Ways

A Republican Mayor Shares Goals of Militant Leader, But Not Violent Rhetoric

Mr. Ajabu's Fiery Deadline

By BRETT PULLEY

Staff Reporter of THE WALL STREET JOURNAL

INDIANAPOLIS—A showdown is looming in the heartland between two of this city's most prominent native sons.

On one side is Mmoja Ajabu, leader of the Black Panther Militia, who is recruiting "soldiers" to help deliver on an ultimatum he has given the city: Make government more responsive to black residents by Jan. 1 or face bloodshed. "If it hasn't happened by 12 midnight we will go on the offensive," Mr. Ajabu threatens.

For three years, Mr. Ajabu has organized, armed and trained forsaken young blacks, providing a volatile alternative to those disillusioned with mainstream attempts to enhance their lives. "We're tired of the conditions that African-Americans are living under," he says. "We believe that revolution is the solution. If the people don't want us to wage it, they better make some policy changes."

On the other side is Mayor Stephen Goldsmith, a white Republican who has garnered national attention for privatizing city services since taking office in 1992. The mayor, who has considerable support in the black community, considers Mr. Ajabu "a very intelligent guy" who will "act responsibly," but fears his call to arms may give young blacks "an excuse for violence."

Mayor Goldsmith says he won't submit to the "violent rhetoric" of the militia, even though he supports some of its aims. "We will stick with our goal to deliver as much money and as many services as possible through neighborhood programs," he says.

While both sides ponder the standoff, a new element has arisen that shows Mr. Ajabu's reach may go beyond Indianapolis. On Aug. 6, hours after Mr. Ajabu organized and addressed a new chapter of the militia in Wedowee, Ala., an arsonist destroyed a nearby high school. The school had been at the center of racial strife since principal Hulond Humphries threatened to cancel the senior prom because interracial couples were planning to attend.

The Federal Bureau of Investigation is trying to determine whether Mr. Ajabu knows who set the fire, says his attorney, Kenneth Roberts. The FBI won't comment.

Mr. Ajabu was invited to Wedowee by black residents who tried unsuccessfully to have Mr. Humphries removed from his job. In his speech, Mr. Ajabu says, he told



Stephen Goldsmith

listeners "they needed to level the playing field." He says he doesn't know who set the fire, but adds that "apparently somebody down there understood what I was saying. The school board wouldn't get rid of Humphries, so somebody decided to get rid of the school. This sends a message that black folks aren't going to sit down and let whites run over us." After the school was destroyed, Mr. Humphries was assigned to another job within the school district.

In Indianapolis, with the potential for violence less than five months away, the mayor is intent on defusing the situation with initiatives to gain the support of those who might otherwise be drawn into Mr. Ajabu's corner.

The initiatives include focusing on minority contracts, which have increased over the past three years to \$80 million annually from about \$15 million, a \$70 million plan to renovate buildings and infrastructure in distressed communities, and other traditional approaches like increasing funds for community-development corporations. Still, Mr. Goldsmith says, "We're not hitting the needs of those young adults" attracted to the militia.

Mr. Ajabu, 45 years old, has come to speak for some blacks who feel mainstream leaders—black or white—can't relieve their suffering. "He stands behind our people more than any other community leader does," says R. Edrick Davis, a 35-year-old medical technician and militia supporter.

In Indianapolis's Marion County, more than one-fourth of the black population lives below the poverty line, and the average black family earns nearly \$17,000 a year less than the average white family, according to the 1990 census.

The militia wants "social and economic justice," Mr. Ajabu says. The Black Panthers are demanding some control over public education, a commitment from businesses in the black community to contribute money for social programs, and a significant decrease in the black infant mortality rate. But the militia has not given the city any demands that can be quantitatively measured, and there are currently no plans for a meeting between the two sides. Mr. Ajabu says he will determine whether or not a violent offensive is necessary. "It will be based on the quality of life that people are experiencing," he says.

Mr. Ajabu's group is one of about a dozen nationwide loosely organized over the past four years as restyled versions of the Black Panther Party of the 1960s. In 1990, Michael McGee, a former Milwaukee alderman and one of the original Panthers, resurrected the party and made headlines when he threatened a "bloodbath" if conditions didn't improve for Milwaukee blacks by 1995. He subsequently organized parties in other cities, including Indianapolis, where in 1991 he installed Mr. Ajabu as the militia's local "commander." Some city chapters also have organized their own satellite chapters.

Mr. McGee, who lost his bid for re-election in 1992, has softened his rhetoric and scrapped the deadline he imposed. But militia members in Indianapolis are "autonomous and free to have their own deadlines," says Mr. McGee, now co-host of a radio talk show.

The Indianapolis militia is perhaps the country's most active. Mr. Ajabu won't say how many members it has. An FBI spokesman, who says the agency first investigated the group about a year ago, adds there is no indication of how much support it has.

Mr. Ajabu's Speech

At a recent weekly meeting, first-timers interested in joining the militia are met at the door by two young men in matching uniforms. One is a 12-year-old boy who meekly orders newcomers to raise their hands, then proceeds to conduct a thorough frisking.

Inside, Mr. Ajabu stands with armed guards at each side, addressing militia members dressed in black fatigues, black berets and T-shirts with the words: "Freedom or death. It's not a choice."

A gaunt, bearded man who sometimes carries a hand-carved walking stick, Mr. Ajabu lectures about 20 people gathered inside the dingy banquet hall in the predominantly black West End section. "Do you think that we're going to be free without paying a price?" he asks listeners. "The ultimate price of freedom is death," he says, his words competing with the noise of jittery children and rumpling potato-chip bags. "It doesn't mean that you are going to die. It might mean that you are going to kill."

Mayor Goldsmith and other Indianapolis residents wonder whether Mr. Ajabu's 21-year-old son, Kofi, has already taken his father's rhetoric to heart. Kofi Ajabu is one of three people charged with the execution-style slaying of three suburban white youths in March. Kofi Ajabu, a sophomore at Jackson State University in Jackson, Miss., at the time of his arrest, is facing a possible death penalty if convicted. Trial is scheduled for early next year. Mr. Roberts, the defense attorney, says Kofi Ajabu was not involved in the killings, but was just "at the wrong place at the wrong time."

After learning that prosecutors intended to seek the death penalty for his son, the elder Mr. Ajabu told reporters: "I want to serve notice as a father. If my son is killed for something he did not do, other death sentences will be carried out." In response, a grand jury is considering filing intimidation charges.

An 'Average Joe'

Mr. Ajabu, formerly named Paul E. West Jr., first gained attention as a high-school star athlete and honor student. His father was a janitor and Baptist preacher, while his mother raised their six children. "He couldn't have been more of a middle-class, average Joe. Everybody loved him," says Kwame Mumina, an Oklahoma City lawyer and boyhood friend.

But after "seeing those black ladies in the South hosed down" during civil-rights demonstrations, Mr. Ajabu says, and returning to "second-class citizenship after fighting in Vietnam," he began evolving into one of the city's most vociferous citizens. He became a Black Muslim, changed his name, obtained a degree in electrical engineering from Indianapolis University-Purdue University at Indianapolis and became active in politics.

Although unsuccessful in two attempts to be elected to the school board in suburban Washington Township, where three of his four children went to school, Mr. Ajabu found a platform. In the late 1980s, as head of the Coalition of Concerned Minority Parents, he became an outspoken advocate for improved academic programs and Afro-centric education in public schools.

Disenchanted with mainstream civil-rights groups, he sought out Mr. McGee in Milwaukee in 1990, gathering more than 1,500 signatures from Indianapolis residents to show Mr. McGee that a militia would be well received there.

The militia has since held street-corner economics classes and voter-registration drives. When a black family was harassed and fled from its home in an all-white neighborhood, the militia showed up in force and helped the family return to the house. Members have also gathered in uniform to protest a local Ku Klux Klan rally and have demonstrated in support of black students who felt they had been



Mmoja Ajabu

victimized by racism in the Indiana University-Purdue University campus newspaper.

Mayor Goldsmith, in the early months of his administration, teamed up with Mr. Ajabu to employ young men to do interior work in public housing. But the relationship soon soured. Mr. Ajabu "just gravitated toward violent rhetoric," Mr. Goldsmith says. The mayor's office now funds a similar project through another organization.

The relationship was further damaged when the mayor cut from the city's budget a \$1 million program to deal with black infant mortality, an acute problem in Indianapolis. Mr. Ajabu accuses the mayor of "making the decision to kill black babies." Mr. Goldsmith points out that under his administration's public health initiatives, the black infant mortality rate in 1993 dropped to 14.8 deaths per 1,000 births from 24.2 deaths per 1,000 births in 1987. In comparison, the white infant mortality rate for whites in 1993 was 8.6 per 1,000 births.

Communications between the two men ended early this year when the militia asked for \$80,000 to develop a program to teach drug awareness, self-esteem and African history. The mayor offered \$5,000. "Of course we turned it down," Mr. Ajabu says. "That was just enough to make sure the program failed."

The Mayor's Backers

Despite the disagreement, the mayor has significant support in the black community, especially from women. As Marion County prosecutor, Mr. Goldsmith aggressively pursued deadbeat fathers, and over a 10-year period the amount collected by the county for child support went to \$38 million annually from \$900,000.

In 1991, Mr. Goldsmith, now 47, won election with strong support from blacks. His approval rating currently is 58% among black men and 65% among black women.

Some mainstream blacks denounce Mr. Ajabu's militant approach. "The establishment sees him as a threat to race relations," says Monroe Little, director of African-American studies at Purdue and editor of a recent report entitled "The State of Black Indianapolis."

William Mays, president of Mays Chemical Co., a local black-owned firm that had \$65 million in sales last year, says he has tried to persuade Mr. Ajabu to work for change within the system. "There is a need for push, but when he goes off about the radical results that will occur if whites don't do what they ought to, well I don't agree with that," Mr. Mays says.

A 1993 boycott of a Korean beauty-supply store prompted some residents to accuse Mr. Ajabu of extortion because he asked that the store's owners contribute a monthly fee to a militia youth program in return for operating in the black community. Mr. Ajabu says that the request was just that, and that no extortion was involved. A prosecutor agreed.

Still, many of those who oppose Mr. Ajabu's radicalism admire his purpose. Sam Jones, president of the Indianapolis Urban League, recently told a public forum: "Their goals are not much different from the goals of any of us."

For example, in response to the recent firing of the city's black school superintendent, Shirl Gilbert, Mr. Ajabu is lobbying

black parents to keep their children out of school for the first three weeks of the coming school year. This could cause serious financial problems for the school system, which gets state financing based on the attendance at the beginning of the year. Such a boycott "gives us power," Mr. Ajabu reasons. "We must use the power that we have if we are to be respected."

Church leaders who in the past have disagreed with Mr. Ajabu say they are considering supporting the boycott and making church buildings available for tutoring. Mr. Ajabu says Mayor Goldsmith has the ability to persuade the school board to rehire Dr. Gilbert because the mayor controls key votes among the board's seven members. In response, Mr. Goldsmith calls the boycott "counter-intuitive. That's the last thing you need to do is keep these kids out of school." The mayor says the firing of Dr. Gilbert "has pulled me into very difficult racial politics."

Other recent events have damaged Mr. Ajabu's credibility and effectiveness. In January, he was fired from his job as an electrical engineer for a utility company after he was charged with carrying a .38-caliber handgun without a permit. He has appealed for reinstatement. In May,

while Mr. Ajabu was visiting his son in jail, his home was damaged by arson. No one has been arrested.

"These incidents have distracted him and hurt his leadership of the militia," says Mr. Little. "Everything the militia does now is prefaced by the discussion of his son." Still, Mr. Little doesn't dismiss the potential for violence on Jan. 1.

Neither does Mayor Goldsmith. "We're concerned about it," he says. "A few people can create a lot of havoc."

The mayor presses on, gaining support in unusual places. A few weeks ago, he gave 3,000 free tickets to inner-city children to attend a performance by pop star Janet Jackson. As kids danced around the mayor, one of the chaperones, David Williams, gushed, "The mayor's made some friends tonight."

Meanwhile, Mr. Ajabu appears to have lost a few friends. Last week, the growing controversy surrounding him caused a dissident faction of the militia to break away and form its own group. Mr. Ajabu insists that none of this will change his course. If the militia's demands aren't met, he says, the violence "will start, and escalate, and escalate. They'll see. We're not backing up."

Labor Letter

A Special News Report on People And Their Jobs in Offices, Fields and Factories

TEMPERATURE WARS: Employees grouse over where to set the thermostat.

Edleman Public Relations in Manhattan frequently calls building managers to deal with climate problems. "They have two temperatures — fry and frozen," says senior account supervisor Mindy Kramer. Before Steelcase Inc., in Grand Rapids, Mich., got a high-tech heating system, employees put towels dampened with cold water near the thermostat to trigger the heating system. Some workers at Houston Lighting & Power bring space heaters to the office to protect against arctic air conditioning.

Women and older people get chilly more often in offices, says Bruce E. Brooks, a heating, ventilation and air-conditioning consulting engineer in Philadelphia. And those near computers and printers tend to get too warm. Thermostats measure the average temperature in a given area, which doesn't help workers in extreme cold or hot spots.

Some companies in Europe have begun equipping each workstation with its own thermostat. Studies have shown that can increase productivity by nearly 3%, Mr. Brooks says.

SELF-EMPLOYMENT RATES differ greatly among racial and ethnic groups.

In 1990, the overall U.S. self-employment rates for men and women were 10.8% and 5.8%, respectively. However, economists Robert Fairlie and Bruce Meyer found that nearly 30% of men from Israel and Korea own their own businesses in the U.S. By contrast, only 4.4% of African-Americans are self-employed, and Laotian expatriates have the lowest self-employment rate: 3.2%. Women own about half the businesses men do within particular racial or ethnic groups.

Differences exist in the kinds of businesses owned, too. Asians tend to concentrate on food stores, restaurants and health services. African-Americans tend to own restaurants, personal-care stores and auto-repair shops. Those Russians who set up shop tend to make the most money, mainly because they often specialize in highly profitable fields, including law, engineering and accounting.

SLEEPING ON THE JOB: Many workers need a nap to get through the day.

Los Angeles Superior Court Judge Lance Ito, who is hearing the O.J. Simpson case, keeps a blanket and pillow in his chambers. Weary women at the YMCA headquarters in Chicago go to the restroom and stretch out on the couch. Tired workers at Centocor Inc., a biotechnology company, simply close their office doors and take naps. Taking afternoon walks outside and drinking water are other ways employees try to

restore their energy.

Consultants say a short nap can do wonders for productivity. "Sometimes after lunch I feel my head bobbing," says Nancy Allanoff of Philadelphia. But a nap puts her back on her toes. Odd work schedules, stressful jobs and heavy lunches often wreak havoc on workers' staying power. Still, sleeping gives a negative impression, so workers do it secretly.

"Rest? Hell no," says Action Products International President Ron Kaplan. "Rest in front of me for 15 minutes and see what happens."

MOTHER OF ALL COURIERS? Starting with a public demonstration in St. Louis today, Pony Express drivers — many of whom served in the Persian Gulf War — are calling on retired Army Gen. Norman Schwarzkopf to help them battle long hours and what they consider meager pay. The Teamsters would like Mr. Schwarzkopf to support them or resign as a board member of Pony Express's parent, Borg-Warner Security Corp.

COMMUTERS TURN COPS: Several states encourage drivers with cellular phones to turn in fellow highway users who are driving recklessly or too fast. Florida drivers are asked to dial *FHP (Florida Highway Patrol) and are guaranteed anonymity. In California, callers dial 911.

THE "GAY ELITE" is a myth. A new University of Maryland study to be released today, found gay workers earn less than others in the same jobs. Gay men earn 11% to 27% less than heterosexual men of similar age, occupation, marital status and residence. Lesbians earn 5% to 14% less.

FINDING EXTRA MONEY in a paycheck is not uncommon, but you can't keep it.

Small firms often forget to withhold money for dental care or Social Security, says Karyl Innis, head of Innis Co. consulting firm. Glitches also can occur when employees leave companies. "The paperwork gets backed up, and direct deposit can continue for quite some time," says Victor Romanov, legal counsel for insurance firm Marsh & McLennan Cos.

Employers generally have the legal right to take back excess pay — unless the overpayment has occurred for such a long time without detection that an employee can claim that he or she came to rely on the additional money and to believe that it is a normal part of pay.

Consultants advise employers that it is bad public relations to collect extra money all at once. Installments are "kinder and gentler," Ms. Innis says.

THE CHECK-OFF: United Airlines, now owned by employees, has a recorded message telling callers on hold that "one of the new owners will be with you shortly." ... Women have two more weeks to register their views for a Labor Department survey on women and the workplace. Many corporations are circulating the survey, which can be ordered by calling 800-347-3741.

—LUCINDA HARPER

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Clinton Wants to Strengthen Global Pact on Air Pollution

But U.S. May Miss Even the Lower Goals

By JOHN H. CUSHMAN Jr.
Special to The New York Times

WASHINGTON, Aug. 15 — The Clinton Administration has concluded that the 1992 treaty to reduce the threat of global warming needs to be strengthened and that in any case the United States may already be doing too little to comply with it.

While that first conclusion pleases many environmentalists who are worried about possible changes in the world's climate, both it and its corollary are also likely to put pressure on the Government to take stronger steps to reduce emissions of certain gases, particularly those from gasoline combustion in automobiles.

International negotiators will meet next week in Switzerland to re-examine the treaty, which was signed during the Bush Administration and calls for reduction of gases like carbon dioxide and methane that many scientists say act like a global blanket to trap the sun's energy in a greenhouse effect and create global warming.

At the Geneva negotiations Clinton Administration officials will support European nations like Germany and the Netherlands in calling for tougher long-term steps to curtail such greenhouse gases in the next century.

"Virtually all nations are in agreement that current efforts are not adequate to the task at hand," Timothy E. Wirth, the Under Secretary of State for global affairs, said at a recent briefing on the negotiations.

But so far there is no sign that the Administration is willing to take a step favored by many environmentalists: raising the Federal requirement for fuel efficiency in automobiles.

And some Administration officials worry that even the current short-term plan to control carbon dioxide, methane and greenhouse gases will not meet the emissions targets set for the year 2000.

Troubling Forecasts

New forecasts, they said, suggested that the United States would be producing more carbon dioxide in the next few years than was assumed when the short-term plan was put together and adopted last October.

Energy Secretary Hazel R. O'Leary said in an interview that lower-than-expected oil prices had encouraged higher consumption, and other officials pointed to the increased use of coal in power plants rather than natural gas and to strong economic growth generally, which has increased industry's energy use.

Mrs. O'Leary said officials from several Federal agencies were already drafting "further steps" to cut emissions of greenhouse gases from their fastest-growing source, automobiles.

"My clear leaning is to put a lot more emphasis on all alternative-fuel vehicles and to get electric vehicles out of the closet," Mrs. O'Leary said.

The Administration's October plan, adopted as a first step toward meeting the United States' treaty commitments, relies heavily on voluntary measures by industry to reduce gases like carbon dioxide from burning fossil fuels. Many scientists believe that the greenhouse effect caused by these gases affects many climatic trends, not just how hot the planet becomes.

Among those praising the Administration's new, tougher stance is Daniel F. Becker, Washington director of the global warming and energy program at the Sierra Club. "We applaud the Administration for recognizing that the problem is terribly serious," Mr. Becker said. "But they need an action plan that has got real action, not just jawboning for industry. They need to do much more about transportation, and the major thing they need to do is raise automobile fuel efficiency standards."

But John Shlaes, executive director

of the Global Climate Coalition, a group that represents more than 90 business trade associations and companies, said his group was "disturbed" by the implication that the President's voluntary climate action plan, which is just getting under way, will be inadequate and that more stringent measures may be needed domestically.

In a draft report that the State Department circulated among industry and environmentalists early this month, the Administration warned that new controls on emissions of greenhouse gases could become necessary, particularly steps to cut gasoline consumption.

The report cited a previously unpublished Government forecast of United States energy use indicating that "trends of emissions are significantly above the levels used in developing the October 1993 action plan."

"The new data suggest there may be a need to modify the action plan should these trends persist," it said.

The report, which is the Government's official description of American policies to prevent global warming, will be given to other nations under terms of the climate treaty.

The treaty, one of two major environmental pacts drafted in Rio de Janeiro in 1992, calls for the signers, especially the industrialized countries, to move quickly to stabilize atmospheric concentrations of greenhouse gases.

Because the science of climate change is so new, the signers realized that they would have to re-examine

the treaty's goals every few years. The first full conference of the signers is scheduled to occur in Berlin next spring, and preliminary negotiations are under way.

On Aug. 22, negotiators will gather in Geneva for two weeks to discuss, among other things, whether it is enough for the industrial nations to return their emissions of greenhouse gases to 1990 levels by the year 2000. The conference in Berlin must decide that issue.

'Inevitable Next Steps'

On Aug. 3 at a State Department meeting of environmentalists, industry groups and other interested parties, Mr. Wirth called on the audience to "prepare together for the inevitable next steps under the climate treaty."

"As a first priority for the future, we need to set an aim that can guide our efforts for the initial period after the year 2000," he said.

During his campaign for the Presidency, Bill Clinton promised to set higher standards for automotive fuel efficiency, but his Administration has instead favored a largely voluntary approach, which has done little to reduce automotive pollution.

Budget cuts are also making it hard for the Administration to meet its goal for reducing greenhouse gases. The House and Senate are negotiating a compromise spending bill that could cut the Energy Department's conservation programs by \$150 million to \$233 million in 1995, depending on which house's version prevails.

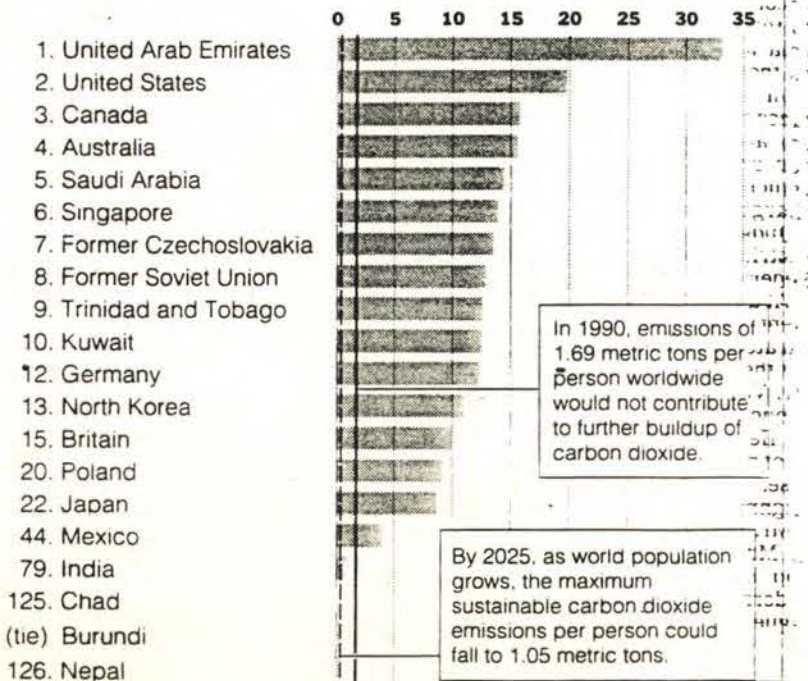
Mrs. O'Leary has testified that a cut of just \$120 million would put the target for lower emissions "at substantial risk" and that a greater budget cut would make the target "virtually impossible to meet."

New emphasis on reducing automobile emissions.

IN CONTEXT

Emitting Greenhouse Gases: An International Snapshot

Selected countries' carbon dioxide emissions in 1990, in metric tons per person, and each country's ranking among 126 countries measured.



Sources: Carbon Dioxide Information Analysis Center; United Nations

THE PRESIDENT HAS SEEN

8.16.94

VP
we need to
draw 1 hour.
B.

Bruce Reed

Have you talked w/ Ron Brownstein
on this? If not, you should - R

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8.16.94

What Are the Facts Behind the Crime Bill? (Washn)

By Ronald Brownstein

(c) 1994, Los Angeles Times

WASHINGTON Pat Buchanan says it. On the floor of the House of Representatives, Republican congressmen say it. The conservative think-tank Empower America says it. But is it true?

Those critics of the \$33 billion crime bill try to paint it as soft on criminals by making a mantra of the claim that the legislation would fund two social workers for every cop.

An examination of the facts, however, shows their calculation rests on a pyramid of questionable or flatly improbable assumptions. To reach that conclusion, critics appear to underestimate the number of police the bill could produce and wildly overestimate the number of social workers it funds.

On the other hand, even some allies admit President Clinton's signature claim that the bill would fund 100,000 police officers probably overstates its impact on local law enforcement. At best, that is a cumulative total: the bill aims to increase the nation's police force by 100,000 not immediately, but over six years. And meeting even that goal would require local governments to accept substantial financial commitments to supplement the federal assistance from the bill.

As Congress moves toward reconsideration of the crime legislation as soon as later this week, "facts" are flying like arrows between both sides in the bitter debate. But, as in the case of the disputed cops, the facts are often more complex than the sharp sound bites that slice the airwaves. The pitched struggle over the crime bill shows again that in Washington, as in war, truth is often the first casualty of conflict.

The argument that the bill would generate more social workers than police officers appears to have its roots in an Aug. 2 "Issue Bulletin" put out by the Heritage Foundation, a conservative think-tank.

In the paper, Scott A. Hodge, a fellow in federal budgetary affairs at the foundation, argues that the bill would only fund 20,000 cops annually and 40,000 social workers.

To reach the figure of 40,000 social workers, Hodge simply divides all the so-called crime prevention money in the bill some \$1.23 billion per year or \$7.4 billion over the six years covered by the legislation by the average annual salary and benefits of social workers, which he estimates at \$36,000. "If all this social welfare money goes toward hiring new social workers," he writes, "the bill will add ... at least two social workers ... for every cop the bill puts on the street."

But the legislation makes clear that not all of that money could possibly go to hiring social workers. For instance, \$1 billion of the prevention money is designated for strengthening law enforcement, including hiring police and prosecutors, in cases involving violence against women.

Another \$900 million goes to establish after-school programs in troubled neighborhoods. Much of that money would go for the cost of keeping schools open and paying teachers, notes one House Judiciary Committee aide. Another \$40 million would go to operate midnight sports leagues.

Some programs in the bill, such as drug treatment for prisoners and grants to discourage young people from participating in gangs, clearly would produce employment for social workers. It is impossible to estimate in advance how many, said the Judiciary Committee aide, but the assumption that all the bill's prevention funds would go toward hiring social workers "just doesn't make any sense."

Hodge did not return a phone call seeking comment.

Hodge's conclusion that the bill only funds 20,000 cops annually, which Republicans have widely echoed, also rests on a series of questionable assumptions. He estimates the cost of putting "one new cop on the street for one year in a high-crime area at between \$70,000 to \$80,000 per year." Based on that he says the cost of adding 100,000 cops would be "at least" \$7 billion per year, or \$42 billion over the bill's six-year life.

Since the bill only provides \$8.845 billion in federal funds for police programs, he concludes, it will only fully fund "at most just 20,000 permanent cops on the street over the next six years."

But Justice Department officials say the estimated annual cost for adding a police officer is wildly inflated. An International City/County Management Association survey last year found the median salary for entry-level police officers was \$23,546. Fringe benefits might add another third to that cost, bringing the total closer to around \$31,000, a department official said.

Those figures vary substantially from region to region, but even for high police-cost cities like Beverly Hills, Calif., Detroit, San Diego and Washington the total of first-year benefits and salary for a new police officer is more in the range of \$50,000, according to Justice Department surveys.

Using Hodge's methodology, that would reduce the annual cost of 100,000 cops to about \$3.1 billion, which means the federal government could fully fund well over 40,000 new cops annually by his calculations.

But, in fact, those calculations are somewhat beside the point because the legislation generally requires cities to pay for at least one-fourth the cost of the new hires. That local contribution multiplies the federal dollars to produce more officers on the streets, proponents note.

Even so, to reach the 100,000 officers depends on another series of debatable assumptions.

The administration reaches that total this way: of the \$8.8 billion in the bill allocated to police programs, \$7.34 billion is designated specifically for hiring new officers. The rest goes to training and other purposes.

The legislation authorizes the government to provide cities up to \$75,000 toward the salary and benefits of each new officer hired. Divided into \$7.34 billion, that provides enough money to help hire 97,920 officers, the department estimates.

Municipalities have already hired another 2,080 cops with funds from a pilot program approved as part of the budget deal last summer. Taken together, that raises the total to Clinton's 100,000 figure.

But that neat calculation also leaves out some important qualifications. For one, if localities could not afford to put up their matching share, that would reduce the number of police hired.

And, though Clinton hardly stresses the point, the bill would not mean that cities could put 100,000 more cops on the streets for each of the next six years. Instead the process is cumulative: the federal government in effect will provide the cities seed money to cover most of the initial costs of adding about 20,000 new officers per year through the year 2000. Once the program has been in place for three years, the Justice Department calculates, the federal government will be subsidizing about 60,000 police officers per year.

This is where the math gets tricky. The federal grants will generally last for three years. To reach the figure of 100,000 cops, the administration assumes that after the three-year subsidies expire local governments will keep on their payrolls all the cops they hired with Washington's help.

So, for instance, in the program's fourth year, when the government is subsidizing about 60,000 officers, another