THE PRESIDENT HAS SEEN
9.13.94

THE WHITE HOUSE
WASHINGTON

94 SEP 12 P 1:54

September 9, 1994

MEMORANDUM FOR JOHN PODESTA

FROM: JENNIFER O'CONNOR JMO

SUBJECT: ATTACHED LETTER TO THE PRESIDENT FROM SECRETARY JESSE BROWN

Attached is a letter to the President from Secretary Jesse Brown. The letter discusses the importance of annual Veterans Service Organizations, mentions that only Secretary Brown attended them this year, and says he thinks there should be a higher level presence in the future.

I have responded to the Secretary that we have forwarded his letter to the President's office.

Leon

This is crazy and this is just one example of matters about which I am never informed — I am livid about this. It is unnecessary and downright dumb —

We have to fix this — I never missed a vets conv when I was a gov & we should always at least have Sr. level representation

CC Leon
Ricki
Alexis

076975

THE SECRETARY OF VETERANS AFFAIRS
WASHINGTON

AUG 29 1994

The President
The White House
Washington, DC 20500

Dear Mr. President:

Earlier this year, I wrote to recommend that the administration respond positively to opportunities for high-level presence this summer at the annual conventions of the major veterans organizations. My involvement was to be expected as a matter of routine by these groups, but regrettably no one else attended to present or discuss issues of national importance.

That huge vacuum was filled only this week by the presence of William J. Bennett, who appeared as the keynote speaker before the Veterans of Foreign Wars, later followed by former Ambassador Deane Hinton. Both were able to capitalize on anti-administration themes, aided by the fact that the White House was unrepresented.

While there have been several occasions in which administration officials met with veterans' leaders and while that interaction was positively received, the particular forum of their annual conventions has been bypassed. These gatherings are the single most important events in veterans affairs and in my nearly 30 years of experience in this field, I cannot recall a single time when a current administration did not ensure broad representation at these functions. The memberships of the three major groups alone, including their auxiliaries, total more than eight million.

Sentiment has been expressed that our administration does not value the influence of these national conventions and their impact on the veteran constituency. There is growing evidence that the Republican National Committee intends to exploit this perception by developing political strategies involving the veteran community.

The veterans groups historically have been responsive to inclusion and sharing. I strongly urge that other members of the administration identify opportunities to involve veterans' leaders in matters that have high importance to them, particularly health care, national defense, and issues focused on older Americans. Your personal presence at their events would go a long way toward redeeming matters and could counter overtures that surely will be made by your opponents.

Your administration got off to a great start with veterans, and the service organizations have been supportive of you. I know you would like to see this momentum maintained.

Respectfully,

Jesse Brown

Jesse Brown

THE PRESIDENT HAS SEEN 9/13

Schedule
We need to attend
Rec'd
B.

TO: President Clinton

FROM: Lynda

SUBJECT: William Jefferson Clinton Interdistrict School

DATE: August 22, 1994

I went to the Clinton school this morning to help them kick off the school year. The school is beautiful and they have the best of everything to work with.

Principal Jackye Parker told me that she had teachers from all over the district applying for teaching spots at Clinton. She thinks she has the cream of the crop simply because she had so many to choose from.

Everyone is looking forward to your visit at the dedication sometime in October. Your scheduling people are working hard to come up with a date. I hope Hillary can be there, too. She is going to be very impressed with the media center named for her in her honor.

THE PRESIDENT HAS SEEN

9/12 copied Leon Rubin gen/Sperling

C.C. VP Leon Pat G. George

U.S. DEPARTMENT OF LABOR

SECRETARY OF LABOR
WASHINGTON, D.C.

SEP 1 1994

94 SEP 1 P3:09

MEMORANDUM FOR THE PRESIDENT

cc: Robert E. Rubin

FROM: Robert B. Reich

SUBJECT: Update on Pension Reform Legislation

If we can do this it would be good.

I write to update you on the Administration's Retirement Protection Act. Action on the bill is moving ahead in the Congress and may soon come to a head.

Background

When we came to office, we had concerns about pension underfunding and the solvency of the Pension Benefit Guaranty Corporation, the agency that insures pension benefits. In the last years of the prior administration, the pension failures at Pan Am and Eastern airlines cost the Government and pensioners over $1.5 billion.

In March of 1993, I convened an interagency Task Force to review the situation and make appropriate recommendations. The Task Force included high level people from the National Economic Council and the Office of Management and Budget.

The Task Force found that while the majority of pension plans (75%) are well funded, pension underfunding and the PBGC deficit are growing and present a serious long-term problem. In the last five years, pension underfunding has grown from $27 billion to $53 billion. At the same time, the PBGC's deficit has doubled to $2.9 billion. Funding problems are acute in the airline, auto, steel, and tires industries where there are large amounts of benefits owing for past service.

The Task Force concluded that reform legislation is necessary. The current rules on pension funding give companies the flexibility to set aggressive actuarial assumptions so they can minimize contributions. As an example, General Motors, whose underfunding now exceeds $20 billion, uses a mortality table that assumes twice as many people die at any given age than the tables used by Ford. This lowers contributions for General Motors since earlier deaths mean fewer pension payments. Also, contribution schedules are too slow. They allow 30 years to pay for many new benefits.

The Retirement Protection Act

The Task Force developed a legislative package that was sent to the Congress in October after careful review by me and several other senior officials. Our reforms call for: (1) strengthened pension funding; (2) better compliance tools for the PBGC; (3) increased PBGC premiums for plans posing the greatest risk to the system; and (4) regular notice to workers and retirees about funding and PBGC guarantees.

The heart of the bill is the funding reforms. These reforms would prevent companies from using aggressive actuarial assumptions and speed up contribution schedules.

We worked hard to develop a balanced, affordable package. Our reforms apply only to underfunded plans, so the large majority of employers are not affected. For those affected, we seek to reduce underfunding steadily and reasonably. Our reforms would fund all vested benefits in 15 years and eliminate the PBGC deficit within ten years.

Congressional Action

This year, I testified on the reforms before three Committees -- the House Education and Labor Committee, the House Ways and Means Committee, and the Senate Finance Committee.

The reception was highly positive. The primary concern has been the increased pension costs that the bill would bring. I underlined the bill's reasonableness and pointed to the current economic upturn as providing a special opportunity to catch up on pension funding.

On July 22, the Ways and Means Committee adopted our bill with some modifications to the funding requirements. Our champion in the Ways and Means Committee is Jake Pickle, who has been working on this issue for a number of years. The Committee's support was unanimous.

On August 11, the Education and Labor Committee reported out the bill, again unanimously. Their bill further moderates the funding requirements, but on a whole it is positive. Bill Ford was most helpful, working to balance our needs and the views of the automobile companies. The auto industry has heavily underfunded plans and any reform bill must inevitably require auto companies to contribute more to their pension plans.

Along the way, we have picked up endorsements from the AFL-CIO, the United Autoworkers, and the Steelworkers. The primary opposition has come from the auto industry and a few other large companies.

Over the last month, Lloyd Bentsen, Leon Panetta and I each met with auto industry executives. Discussions are ongoing between Administration representatives and the auto companies.

GATT

With the House Committees endorsing our bill, the activity now moves to the Senate Finance Committee. Mr. Moynihan gave us a boost at his Committee hearing, but he has yet to signal that he is prepared to move forward.

With revenue coming from more PBGC premiums, the bill raises over $400 million. The Ways and Means Committee has included the bill in its GATT financing package. The bill is not in the Senate Finance Committee package. The Committees will sort out the many GATT issues on return from recess.

Future Action

The legislation has made remarkable progress. With a short legislative season, GATT presents the best vehicle to pass our bill.

I think it is essential that we push for passage this year. The momentum provided by Mr. Pickle and then Mr. Ford will not be with us after this session.

We have steered clear of calling the PBGC situation a crisis, but this is a persistent problem that requires a legislative fix. Pension failures continue and it is hard to imagine that another major plan will not fail in the next year or two. It will be to our credit that we have addressed the pension funding problem.

Our bill has attracted editorial support from over seventy newspapers throughout the country. Attached are August editorials from the Washington Post and the Chicago Tribune.

Attachments

The Washington Post

AN INDEPENDENT NEWSPAPER

Pension Clock

TEN MONTHS ago the Clinton administration sent to Congress a carefully written bill to correct a serious financing problem in the nation's private pension system. Only now has Congress begun to respond, and the question is whether time enough remains to pass the bill this year. The legislation ought to pass. The problem now is manageable. It isn't clear it will always be.

Congress began the modern regulation of the private pension system in 1974. The regulatory system has generally been a success. A lot of private pension plans were in ragged financial condition then. Most are in sound condition today. But a relative few remain seriously underfunded, and the underfunding has put the government at risk, since under the law it is the pension insurer of last resort.

The risk is hard to measure. Most of the underfunding is in the plans of a few large companies in just four industries—autos, steel, airlines and tires. The fact that their plans are underfunded doesn't necessarily mean the companies won't meet their obligations over time. The method by which the underfunding is calculated is also arbitrary in some respects; it varies according to interest rates, which may or may not reflect the underlying ability of the companies to pay. Still, the last time the Labor Department looked, the unfunded liability among all insured plans was $53 billion. That's how much less they had on hand than they would have needed at last year's interest rates to pay all the benefits they owed. It's a fair amount of change.

The administration bill seeks to solve the problem gradually, lest it destabilize the companies. It would require them to make up the funding gaps over a number of years, and in the meantime to pay the government higher insurance premiums. The House Ways and Means Committee approved the bill with only minor amendments last week. But the measure is also subject to approval by Education and Labor in the House, and Finance in the Senate, neither of which has acted. Part of the problem is said to be resistance from some of the companies that would be affected. The more they have to put into their pension funds, the less they have available for other purposes—and the attitude of some industries and unions over the years has been, why have pension insurance if you're not going to use it? The steel industry in particular saw the pension insurance system for a while as a possible source of backdoor federal aid; a hard-pressed company could simply lay off its pension obligations on the government.

But pensions are too important to be kicked around like that. The committees should act. There's talk that the bill, because in the short run it would raise money, could eventually come up as part of the trade legislation on which Congress is supposed to vote this year. The trade bill would cost the government tariffs which Congress would have to make up, and the pension bill could thereby serve a double purpose. Maybe that will get it passed.

Chicago Tribune

FOUNDED JUNE 10, 1847

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N. DON WYCLIFF, Editorial Page Editor F. RICHARD CICCONE, Managing Editor OWEN YOUNGMAN, Features Editor

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A good time to fix the pension system

The nation's pension safety net—the federal insurance system that protects benefits for 41 million workers—has been in need of repair for awhile.

The Bush administration warned of a steady deterioration in the system and proposed reforms, but Congress failed to act on its plan.

When the Clinton White House inherited the situation, it found no immediate crisis but a serious, long-term problem of underfunding of private pensions plans. In response, it proposed a series of targeted reforms called the Retirement Protection Act and vowed to get the legislation passed this year.

The House Ways and Means Committee unanimously approved the bill last month and the Education and Labor Committee okayed it Thursday, but it must still clear two Senate panels. With the economy strong and companies posting healthy profits, Congress should act now to mend the retirement net.

For two decades, the federal Pension Benefit Guaranty Corp. has been insuring workers' benefits with premiums paid by employers. It guarantees that most benefits will be paid to workers should a company fail. Today, there are more than 65,000 employers paying into the system, and the agency is paying benefits to more than 346,000 people.

Although an effort was made in 1987 to tighten the rules for pension funding, there's still a great deal of flexibility in the law. Companies—mostly in the steel, auto and airline industries and many of them in the Midwest—have taken advantage of the wiggle room to underfund their pension plans, and the gap between pension obligations and pension assets has been growing steadily. Between 1987 and 1992, underfunding nearly doubled to $53 billion.

In addition, demands on the agency have increased. Its deficit, or the difference between its liabilities and assets, has doubled in five years to $2.9 billion. Because its payments are spread out over many years, however, it's in no immediate financial jeopardy.

The Clinton plan concentrates on increasing funding for underfunded plans. It would close legal loopholes and shorten the time in which companies must fund promised benefits. It also would raise insurance premiums for the plans most at risk, strengthen the agency's compliance powers and require employers to disclose more details of underfunded plans.

Under its plan, the administration estimates that vested benefits will be fully funded within 15 years and the agency's deficit will be wiped out within 10. Yet the proposal is running into opposition from auto and steel companies who want to preserve the option of conserving capital by not funding their plans.

Sorry, but these proposals won't financially handicap any company or jeopardize jobs. They will, however, fix some holes in the retirement system, and there's no better time to do that than now.

THE WHITE HOUSE
WASHINGTON 94 SEP 12 P 9 : 27

OFFICE OF THE STAFF SECRETARY

Fax Transmittal Sheet

TO: SECRETARY REICH

Fax Number: 219-7659 **Phone Number:**

FROM: JOHN PODESTA

SUBJECT:

DATE: 09/12/94

NUMBER OF PAGES (including cover sheet): 6

MESSAGE:

If all pages are not received, please call 202/456-2702

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THE PRESIDENT HAS SEEN

cc. VP
Leon
Pat G.
George

U.S. DEPARTMENT OF LABOR

SECRETARY OF LABOR
WASHINGTON, D.C.

SEP 1 1994

94 SEP 1 P3:09

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Send to
Jack Gibbons
for review
JDP

THE WHITE HOUSE
WASHINGTON

DATE: 09/12/94

NOTE FOR: JACK GIBBONS

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

Information ☐

Action ☒

Per the President's note, "Please review."

Thank you.

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

cc:

THE PRESIDENT HAS SEEN 9/12

"Ask not what your country can do for you, ask what you can do for your country"

President John F. Kennedy

Have this reviewed by approp. people -

B.

21st Century Pedestrian Bridge

Alexander Pollock, Architect

City of Detroit

Alexander Pollock, AIA
Architect, Principal Planner
Engineering-Urban Design

Community and Economic
Development Department
150 Michigan Avenue
Detroit, Michigan 48226
(313) 224-3538

Robert Darvas Associates, P.C.
CONSULTING STRUCTURAL ENGINEERS
440 SOUTH MAIN STREET • ANN ARBOR, MICHIGAN 48104 • (313) 761-8713

ROBERT M. DARVAS, P.E.
THOMAS FITZPATRICK, P.E.
KENNETH J. WINTERS, P.E.
STEPHEN M. RUDNER, P.E.

September 10, 1994

President William Clinton
The White House
Washington, DC

Dear Mr. President:

Enclosed, for your review, are illustrations of a most innovative pedestrian (vehicular) bridge concept which has the potential of addressing issues associated with the construction and maintenance of highway bridges and overpasses. Of importance, the bridge design has the capability of spanning significantly longer distances, than modern day structures, thus providing greater safety to motorists, while providing savings in cost through the elimination of intermediate supports. Its pleasing architecture contrasts with the utilitarian overpasses that blight our urban landscape throughout our nation.

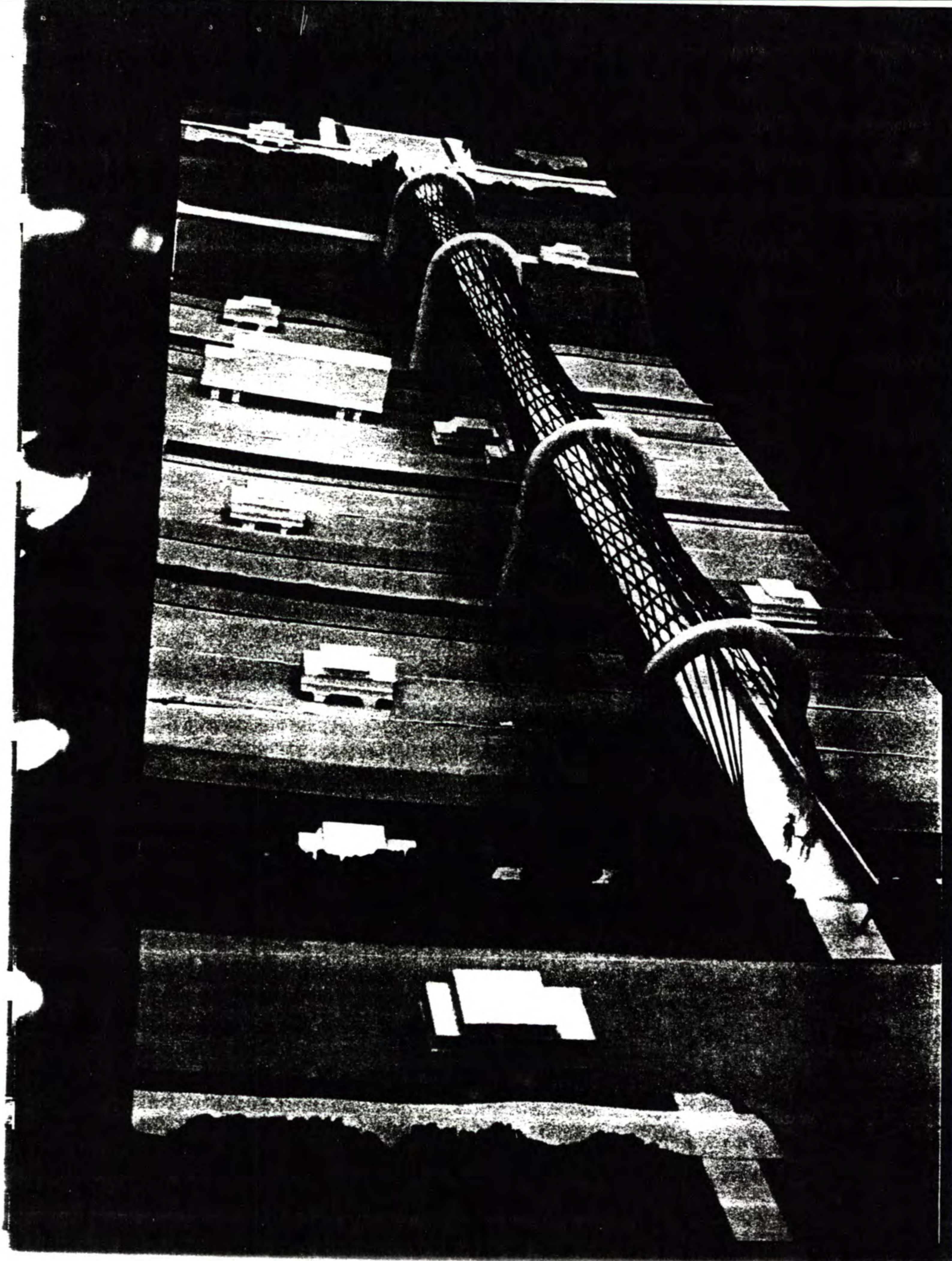
As the bridge illustrations show, the design consists of steel cables connected to form a rotational hyperboloid. These crossing cables are joined by rigid rings to which the secondary framing of the walkway is attached, with all the prestressed cables joining in carrying the loads.

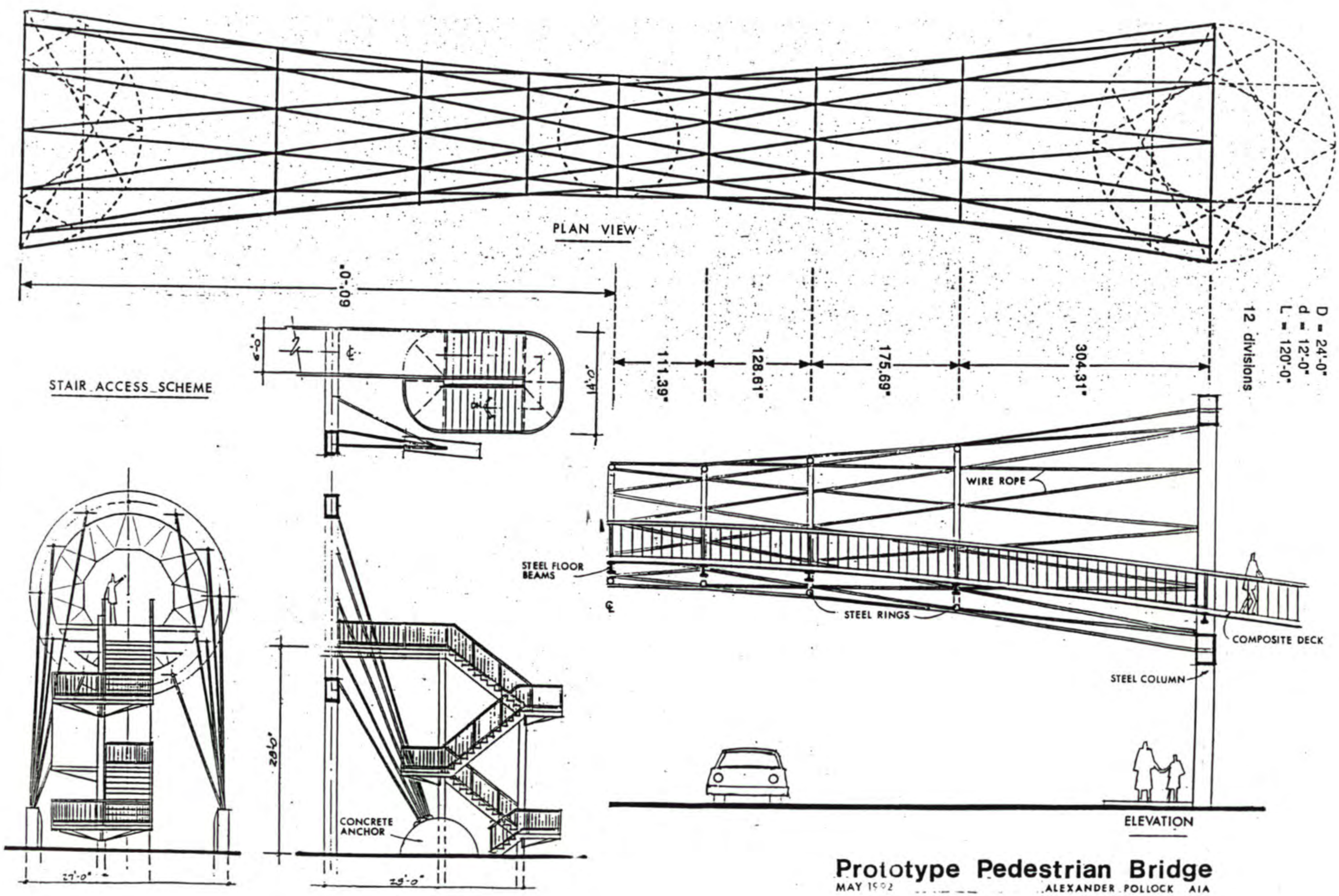
A preliminary mathematical evaluation has shown the bridge structure to be very stiff when properly prestressed, with deflections and torsional displacements being well within accepted engineering standards. Furthermore, the axial symmetry of the structure would also provide excellent resistance to wind and seismic loads.

In summary, the prototype pedestrian (vehicular) bridge would represent a major step forward in addressing many of the fundamental deficiencies found in current technology, and therefore, it is hoped that a demonstration example may be considered for further evaluation.

Respectfully submitted,

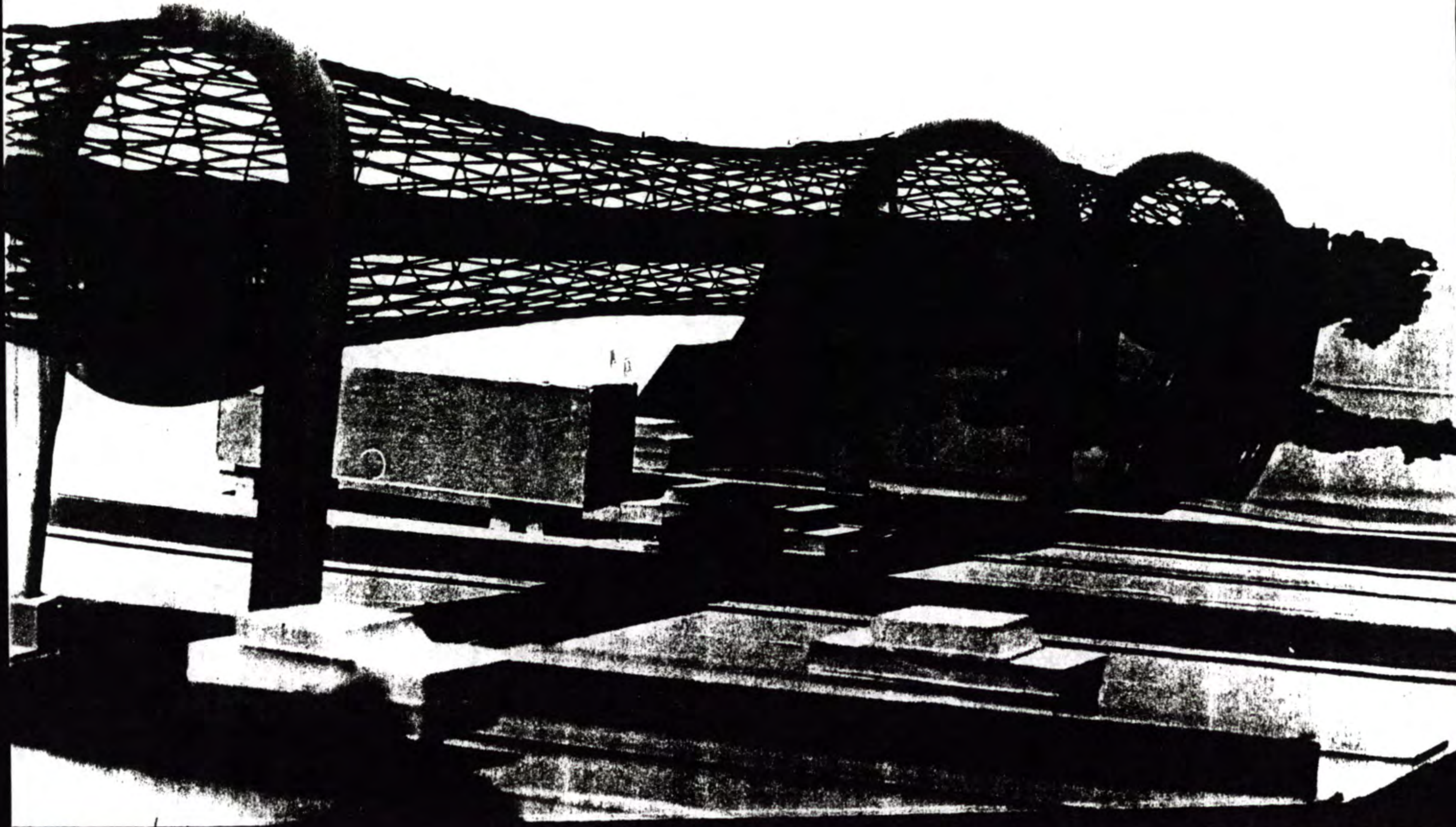
Robert M. Darvas, PE
Professor of Architecture
The University of Michigan





Prototype Pedestrian Bridge

MAY 1992 ALEXANDER POLLOCK AIA

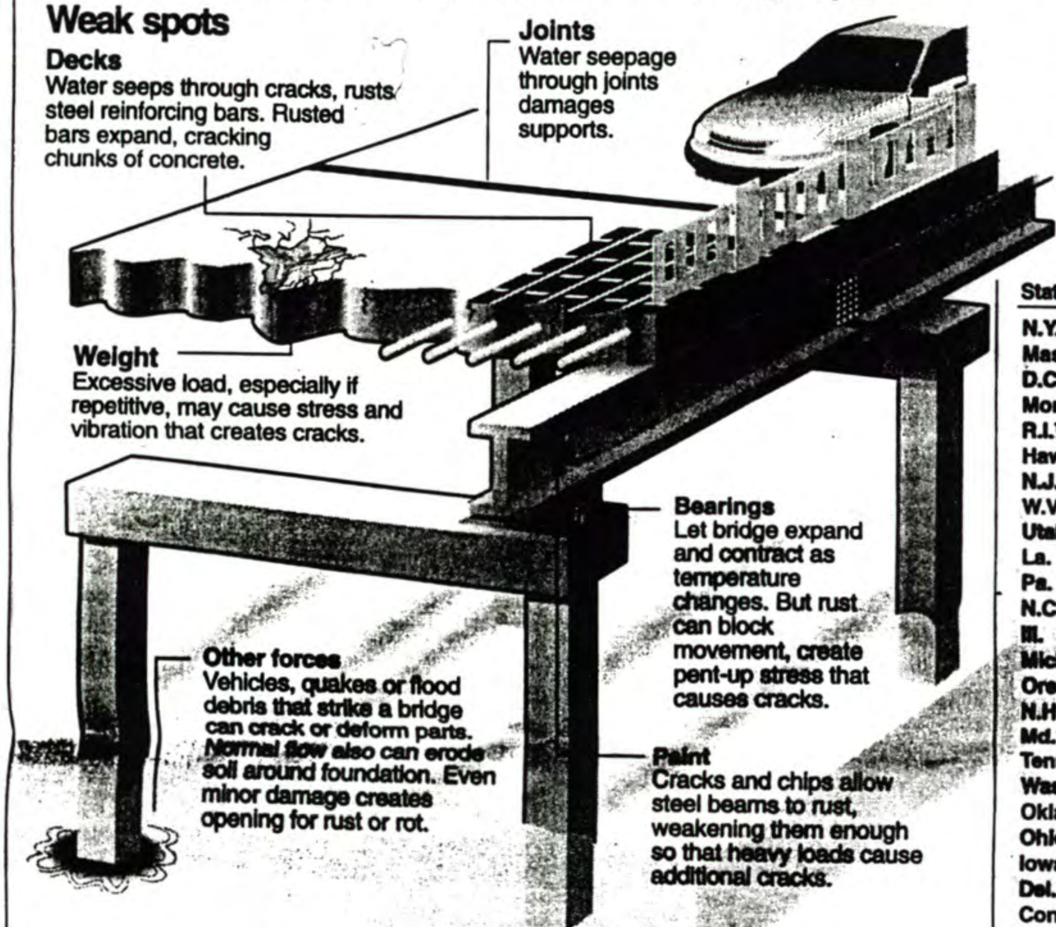


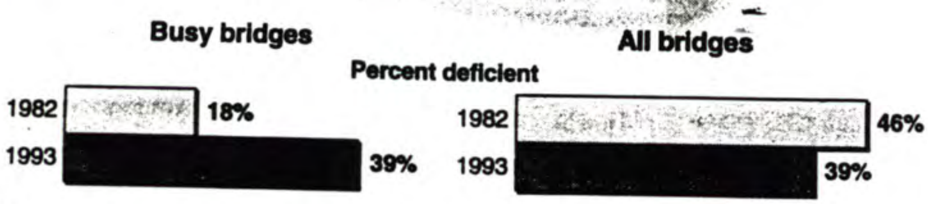
21st Century Pedestrian Bridge

USA's bridges wearing out

Busy bridges, those carrying 15,000 vehicles a day or more, make up only 9% of the nation's half-million bridges, but carry 70% of bridge traffic. Typically built during the interstate highway boom of the 1960s, these bridges have fallen into disrepair in the past decade, though the condition of all bridges has improved. A look at busy bridges:

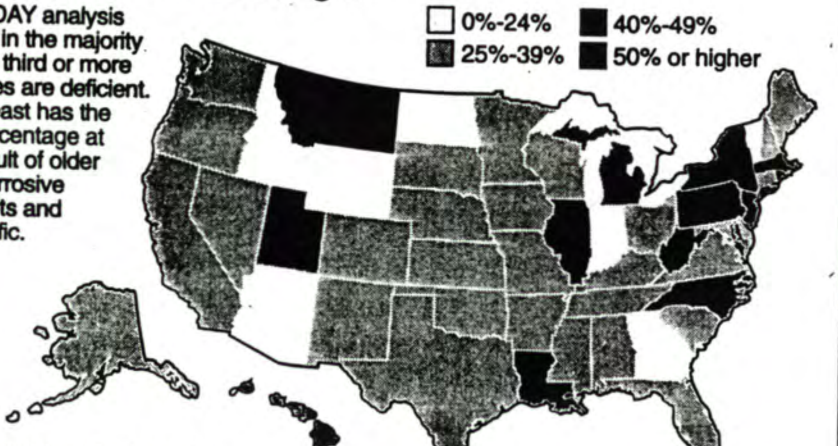
Weak spots





Northeast tops for deficient bridges

A USA TODAY analysis shows that in the majority of states, a third or more busy bridges are deficient. The Northeast has the highest percentage at 56%, a result of older bridges, corrosive de-icing salts and heavier traffic.



Source: Federal Highway Administration

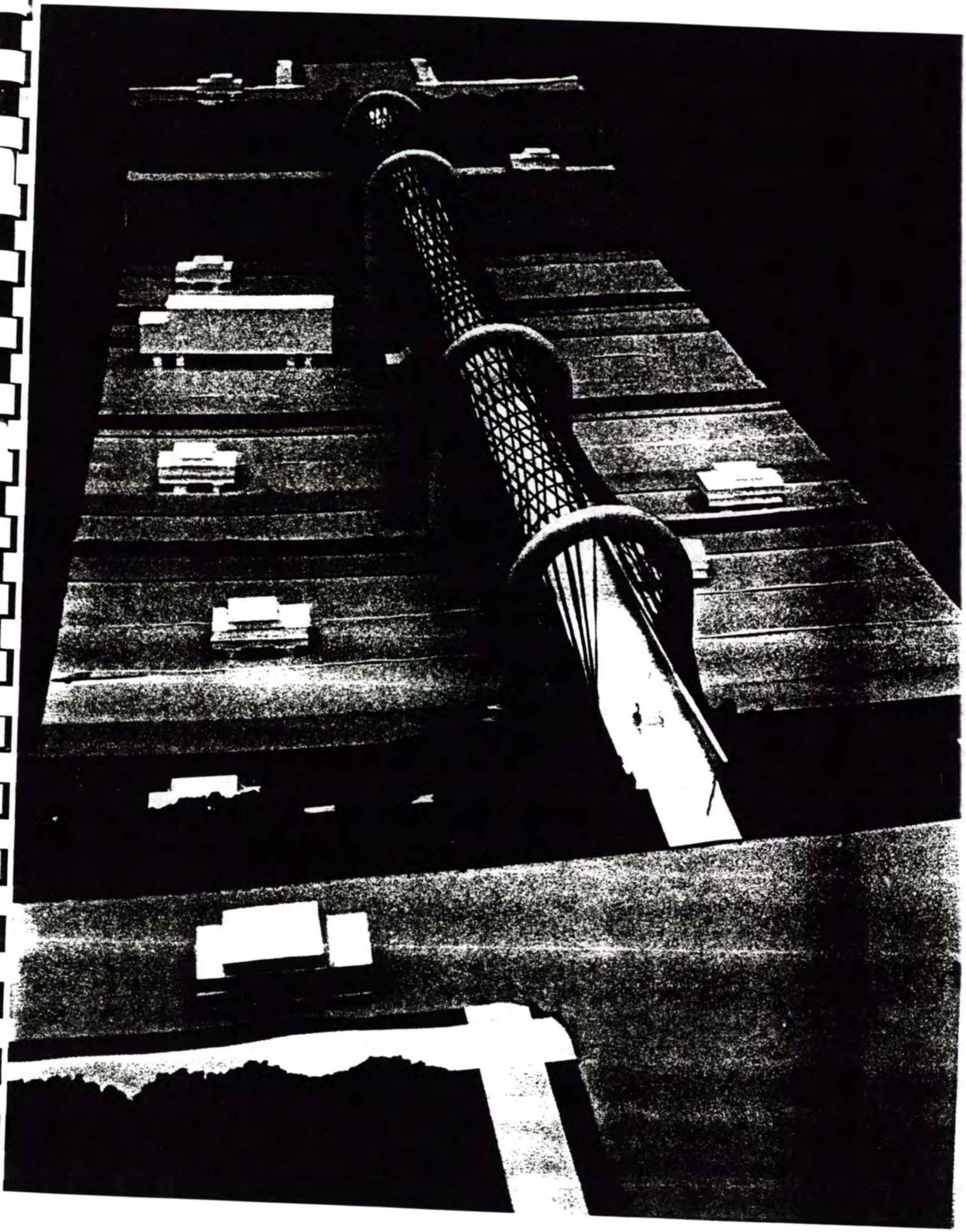
Bridges worsening

Twenty-five states and the District of Columbia saw an increase in the percentage of busy deficient bridges — those in need of repair or replacement.

State	No. in 1993	Pct. deficient 1982	Pct. deficient 1993
N.Y.	2,469	41%	75%
Mass.	2,058	14%	70%
D.C.	166	26%	58%
Mont.[1]	26	—	54%
R.I.[1]	187	—	53%
Hawaii[1]	348	—	50%
N.J.	2,130	26%	46%
W.Va.[1]	293	—	45%
Utah[1]	326	—	45%
La.	653	12%	45%
Pa.	2,239	19%	45%
N.C.	801	56%	43%
Ill.	1,444	16%	43%
Mich.	1,195	7%	41%
Ore.	576	5%	39%
N.H.[1]	214	—	38%
Md.	1,129	23%	37%
Tenn.	1,797	18%	36%
Wash.	669	17%	36%
Okla.[1]	582	—	36%
Ohio	2,362	6%	36%
Iowa[1]	199	—	35%
Del.[1]	176	—	34%
Conn.	1,021	37%	34%
Wis.	595	21%	34%
S.D.[1]	24	—	33%
Ark.	238	21%	33%
Texas	3,554	12%	33%
Neb.[1]	148	—	32%
Colo.	528	12%	32%
Maine[1]	112	—	32%
Nev.[1]	147	—	32%
S.C.	304	28%	32%
Ky.	451	12%	32%
Mo.	840	23%	32%
Miss.	160	30%	31%
Calif.	5,751	6%	31%
Kan.	237	37%	30%
Alaska[1]	40	—	30%
Va.	1,138	12%	29%
Ala.	601	7%	29%
N.M.[1]	135	—	28%
Fla.	2,226	21%	27%
Minn.	569	25%	26%
Idaho[1]	75	—	24%
Vt.[1]	21	—	24%
Ind.	804	19%	23%
Ga.	1,327	48%	21%
Ariz.[1]	396	—	18%
N.D.[1]	13	—	15%
Wyo.[1]	6	—	0%

1 – States with fewer than 20 deficient bridges in 1982.

By Marcy E. Mullins, USA TODAY



to NANCY H.

THE WHITE HOUSE

WASHINGTON

September 12, 1994

Gary D. Skala
Post office Box 14838
Chicago, Illinois 60614

Dear Gary:

Thanks for the birthday card and for sending the photographs from Hillary's birthday party last year. It was kind of you to send them.

Thanks, too, for what you said about my mother. She was a great woman.

I appreciate your words of encouragement and support. Thanks for remembering my birthday.

Sincerely,

Bill

cc: Supporter file


Have a

5[1]
T. Schroeder

August, 1994

Gary D. Skala
P.O. Box 14838
Chicago, IL 60614-0838

Mr. President:

Best wishes for a ~~VERY~~ Happy Birthday. Enclosed are some photos that were taken when you jammed with my friend, Jason D. Williams, when he played for Hillary's birthday party at the White House in October 1993.

I introduced your wonderful mom to Jason D. Williams at Shakey Jake's in Hot Springs in 1991. She invited me to sit with her during her first Jason D. Williams show. We had a very enjoyable evening talking about you, Jason D., and Jerry Lee Lewis.

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I Regret that we won't be at the White House with you to celebrate your birthday on August 19th but we'll be in Nashville doing a tribute to Jerry Lee on "Music City Tonight" on The Nashville Network (TNN) at 9 pm (Repeated at 1 am).

If you ever want Jason D., Jerry Lee, or Mickey Gilley to play at the White House, they are all booked by Al Embry in Nashville (615) 327-4074.

I'm supporting you for Re-Election in 1996, and Hillary for President in the year 2000. God bless you, and ...

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President in the
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... Happy Birthday!

Your Supporter,

Gary Skala

Gary D. Skala
P.O. Box 14838
Chicago, IL 60614-0838

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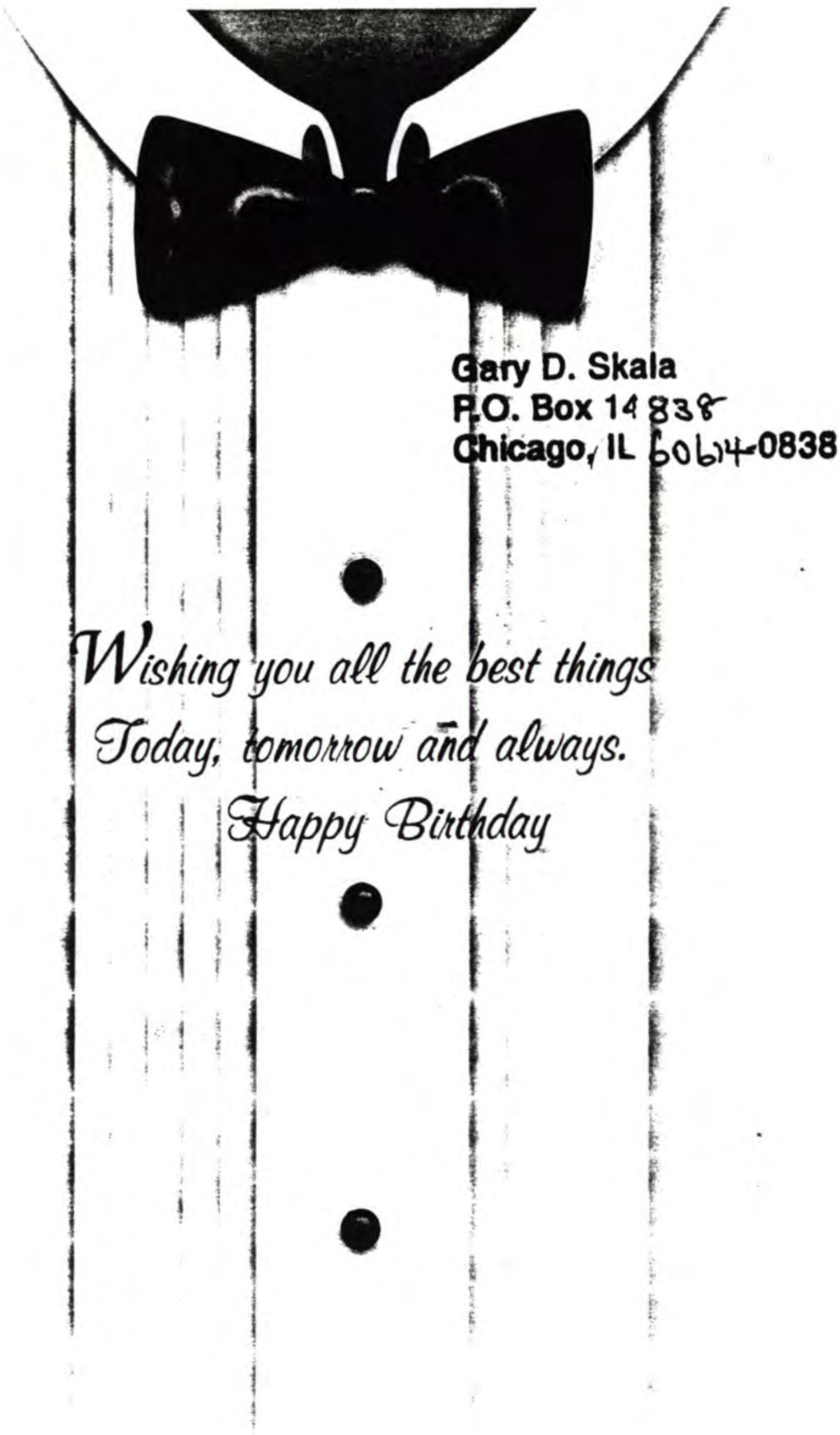

THE WHITE HOUSE

WASHINGTON

September 8, 1994

94 SEP 12 P12:19

MEMORANDUM FOR JOHN PODESTA

FROM: HAROLD ICKES HI

SUBJECT: The Reverend John Boyles - Yale Russian Chorus

John, attached is a copy of John Boyle's 13 July 1994 letter to me offering to organize the best alumni singers of the Yale Russian Chorus (which apparently includes himself, John Shattuck, and Drew Days) to perform for the President and Bois Yeltsin at the White House. I remember John but have no knowledge of his singing ability.

Does this make any sense at all? Or should I merely send a letter regretting?

He sent me one also. I sent it to Ann Stock, but I think it's kind of lame.

John
9-12-94

The Reverend John Boyles

8827 Thomas Lea Terrace Montgomery Village, Maryland 20879

July 13, 1994

Dear Harold,

Since before Campaign time (McCarthy that is), Drew Days, John Shattuck and I have been members of the Yale Russian Chorus.

Now I propose that we come to your new House to sing for you, Bill, and Boris Yeltsin.

I will organize the best alumni singers of the Yale Russian Chorus, of which Drew (a soloist) and John are still to be grouped, to sing for an appropriate gathering.

You could tell Bill I could organize this, along with John and Drew to the extent they can. I worked with Bill (Sam got me into this) in the summer of 1970 on Project Pursestrings in D.C. Greetings to him, as to you, from over all these years.

As you will see from materials enclosed, I have organized Chorus to sing at a number of events here, at two National Gallery Openings, on VOA, and other events. The Chorus is a great good-will and singing group, and I believe it could be a very moving event for Mr. Yeltsin's visit.

Am sending materials also to John & Drew, to John Podesta (who did attend McCarthy 25th Reunion, we missed you), and to Strobe Talbott, who knows the Chorus from Yale days and afterwards (I was on tour with them in '82 and Strobe heard us sing at Spaso House in Moscow).

Strobe was a student deacon of the college church when I was a chaplain at Yale. This is also to remind you that I was your chaplain during the Campaign in '68. All you young guys are coming along very nicely I think. Indeed I was gratified to learn how you have mellowed in recent years, and will look forward to seeing this ratified in person.

If Bill is interested in having us do this, please have someone give me a call at local 301/990-2805 and I will get started..

By the way, in the spring of 1968 I was scheduled to go on a Yale Russian Chorus tour of California, when Shattuck, also a member then, shamed me into coming with him to Wisconsin to work for McCarthy, since I had been active in the anti-war effort. Rest is history.

Best - Hope to see you

John

9.12

John -

I will send to

Richie S.

anyone else ?

Leon

S

Tony L.

THE PRESIDENT HAS SEEN
9-12-94

Should do if possible

GEORGETOWN UNIVERSITY

Edmund A. Walsh School of Foreign Service
Office of the Dean

ON THE EVE OF THE 21ST CENTURY:
THE UNITED STATES AND THE WORLD IN TRANSITION

A Symposium on the Occasion of the 75th Anniversary of the School of Foreign Service

Thursday evening, November 10

Dinner at the Library of Congress
Montpelier Room

Introduction:
Rev. Jeffrey von Arx, S.J., Chair, Department of History

Invited Speaker:
Dr. James Billington, member SFS Board of Visitors and Librarian of Congress
"On the Eve of the 21st Century"

Friday, November 11, Gaston Hall

Morning sessions: *"THE WORLD IN TRANSITION"*

I. *The State System under Siege*
Chaired by **The Honorable Donald F. McHenry,** honorary LLD 1981 and University Research Professor of Diplomacy and International Affairs

Panelists: **Dr. Harm J. de Blij,** Landegger Distinguished Professor of Geography; **The Honorable Edward Djerejian,** Director, Baker Institute for Public Policy, Rice University, F60 and honorary LHD 1992; **The Honorable Jeane Kirkpatrick** (*tentative*), Senior Fellow, American Enterprise Institute, honorary LHD 1981 and Leavey Professor of Government, and **SFS student.**

II. *The Global Economy*
Chaired by **Dr. Theodore Moran,** Landegger Professor of International Business Diplomacy

Panelists: **Mr. Brian Henderson,** Senior Vice President, Merrill Lynch International, F72; **Mr. Nemir A. Kirdar,** President and CEO of Investcorp Bank E.C., Chairman CCAS Advisory Council and member SFS Board of Visitors; **Mr. Wolfgang Schürer,** Chairman, MS Management Service AG and member SFS Board of Visitors; and **SFS student.**

Ricki Seidman
Leon Panetta
Tony Lake

Washington DC 20057-1052
202-687-5696
FAX 202-687-1431

<u>Friday, November 11</u> <u>(contd.)</u>

Luncheon at Leavey Center

Introduction:
Mr. Joseph R. Baczko, F67 and member SFS Board of Visitors

Speaker:
Dr. Elemer Hankiss, Institute of Sociology, Hungarian Academy of Sciences and Wiegand Visiting Professor of Democratization (1993-1994)

Afternoon sessions: *"UNITED STATES IN TRANSITION"* at Gaston Hall

I. *Diversity and Community in America*

Paneiists: **Dr. Mary Jo Bane**, Undersecretary for Health and Human Services, F63; **Ms. Patricia Duff**, F76 and member SFS Board of Visitors; **Rev. J. Bryan Hehir**, Professor of the Practice of Religion in Society, Harvard Divinity School and member SFS Board of Visitors; and **SFS student**.

II. *Economy and Society*
Chaired by **Mr. George F. Landegger**, Chairman Parsons & Whittemore Enterprises, Inc. and Chairman SFS Board of Visitors, F58

Panelists: **The Honorable Marcia G. Cooke,** former Assistant District Attorney, Miamim Florida F75; **Ms. Nancy Donovan**, President, Sears Consumer Finance, F73; **Mr. Paul Erdman**, author and economist, F56 and **SFS student**.

Reception and Photography Exhibition by **Firooz Zahedi**, F73

<u>Saturday, November 12</u>

Morning sessions: *"INSTITUTIONAL REQUIREMENTS FOR EFFECTIVE GOVERNANCE"*

I. *The Political/Security Requirements*
Chaired by **The Honorable Chester Crocker**, Landegger Distinguished Research Professor of Diplomacy

Panelists: **Dr. Allan E. Goodman**, Academic Dean for Graduate Studies, School of Foreign Service; **The Honorable William Hyland**, Distinguished Research Professor; **The Honorable Melissa F. Wells**, Special Envoy to Sudan, F56 and honorary LHD 1991; and **SFS student**.

II. *The Economic Requirements*
Chaired by **Dr. Gary Hufbauer**, Institute for International Economics and former Wallenberg Professor of International Financial Diplomacy

Panelists: **Mr. Pavel Kavanek,** President, Ceskoslovenska Obchondi Banka and 1992 Pew Economic Freedom Fellow; **Mr. Vincent Siew**, GLS 1982; **His Excellency Cesar Gavira Trujillo**, former President of Colombia and Secretary General of the Organization of American States, GLS 1984; and **SFS student**.

<u>Saturday, November 12</u> (cont.)

Luncheon in the ICC Galleria celebrating the publication of **Thomas Wood's** book about the life and work of Jan Karski entitled ***Karski: How One Man Tried to Stop the Holocaust.***

Afternoon sessions: *"EDUCATIONAL REQUIREMENTS FOR EFFECTIVE LEADERSHIP"*

I. *Educating for the 21st Century*
Chaired by **Rev. William Byron, S.J.**, Rector, Jesuit Community

Panelists: **Dr. Putnam Ebinger,** Senior Academic Dean, School of Foreign Service; **Mr. S.C. Ho** (*tentative*), President, Yuen Foong Yu Paper Mfg. Company and member SFS Board of Visitors; **Admiral Bobby Inman** (U.S. Navy - retired) (*tentative*), Chairman, CEO and President, Westmark Systems and member SFS Board of Visitors; **Leslie Jacobsen** (*tentative*), Senior Vice-President for Programming, Home Box Office, F68 and **SFS student**.

II. *The Walsh School in the 21st Century*
Chaired by **Dean Peter F. Krogh**

Panelists: **Vice Admiral Marmaduke Bayne**, Senior Counselor to the Walsh School and member SFS Board of Visitors; **Dr. Peter Dunkley**, Associate Professor of History; **Mr. William C. Mattison**, President, Gerard, Klauer, Mattison & Co., F69 and member SFS Board of Visitors; and **SFS student**.

Concluding Address:
The Inaugural Carroll Quigley Lecture

Introduction:
Rev. Leo J. O'Donovan, S.J., President of Georgetown University

Invited Speaker:
The Honorable William J. Clinton (*tentative*), F68, President of the United States

GEORGETOWN UNIVERSITY

Peter F. Krogh
Dean, School of Foreign Service

Washington DC 20057
202-687-5696

9/12

Rasco also copied

THE PRESIDENT HAS SEEN

Need good Fed. coverage for waiver.

THE WHITE HOUSE

WASHINGTON

September 9, 1994

94 SEP 9 P4:50

MEMORANDUM FOR THE PRESIDENT

FROM: CHRISTINE A. VARNEY CV
Secretary to the Cabinet

SUBJECT: Summary of Weekly Cabinet Reports
September 9, 1994 through September 16, 1994

CABINET-WIDE ACTIVITY

AMERICORPS LAUNCH

As you are swearing-in AmeriCorps participants on the South Lawn on Monday, Cabinet Members will simultaneously conduct similar ceremonies in cities across the country. The South Lawn event will be transmitted to each site live by satellite. Those participating in events include Attorney General Reno (New York City), Secretary Shalala (Galveston), Secretary Reich (Philadelphia), Secretary Cisneros (Nashville), Administrator Browner (Atlanta), Secretary Babbitt (Miami), Secretary Riley (Boston), Federico Pena (Chicago) and Dr. Lee Brown (Kansas City). Other officials hosting events include Carol Bellamy, Peace Corps (New York City), Alex Forger, Legal Services Corporation (St. Paul), Deputy Secretary of Agriculture Rominger, (Bangor, Maine) Peter Edelman (San Francisco) and George Stephanopoulos (Cleveland).

CUBA

Members of the Cabinet continue to develop and implement Cuba policy. Treasury has established a toll-free hotline to answer inquiries from the Cuban-American community in response to the tightening of sanctions. Approximately 3,000 calls were made during the first few days of operation. Treasury is opening an Office of Foreign Asset Control in Miami. Secretary Pena traveled to Key West, the Straits of Florida and Guantanamo to observe the Coast Guard interdiction operation and the condition of the migrants in the camps.

SOO LINE STRIKE

On August 29 you issued an Executive Order establishing a Presidential Emergency Board to investigate the ongoing Soo Line dispute and make recommendations. The Departments of Transportation and Labor continue to work with relevant parties to determine post-Board options to decrease the chance of a nation-wide rail strike.

** ** ** **

DEPARTMENT SUMMARIES

Department of the Treasury

- **Interstate Banking Reform:** It is likely that floor time will be available on Tuesday, September 13 for full Senate consideration of the legislation. Two point of order objections by Senator Gramm may hamper progress.

- **Panamanian Assets:** Treasury is working to escrow $400,000 of blocked Panamanian funds for settlement of claims, and to unblock remaining Panamanian assets in the United States.

Department of Commerce

- **National Medal of Technology:** On Wednesday, September 14, the Presidential National Medal of Technology winners (the nation's highest technology award) will be announced. This year's five winners are an example of national competitiveness with cutting edge technological innovation success.

- **Minority Business Outreach:** Secretary Brown will meet with 60 CEOs and President's of Hispanic Businesses. The meeting (one in a series) is part of Commerce's minority business outreach efforts designed to encourage them to take advantage of the global opportunities for U.S. companies.

- **Economic Development Administration (EDA):** The EDA is prepared to announce 16 grants totalling $23.7 million to be distributed to cities in South Carolina, Washington, Iowa, Kansas, Nebraska, Missouri, South Dakota and Vermont. The grants will go to products ranging from sewage improvements, business relocation, revolving loan funds and infrastructure developments.

- **China Trip:** Secretary Brown and his 24 CEO delegation completed a successful trip to China. Among other success, over $6 billion in new contracts and joint ventures were announced.

Department of Transportation

- **U.S. Air Crash:** Today, Secretary Pena arrived at the scene of last evenings crash of the U.S. Air flight from Chicago to Pittsburgh. Personnel from the National Transportation Safety Board arrived last night. The cause of the crash in under investigation.

- **Alleged Sexual Harassment by FAA Contractor:** An FAA air traffic controller has filed suit alleging sexual harassment of males at diversity workshops held in 1992. The DOT Inspector General is undertaking a comprehensive investigation.

Department of Justice

- **Homosexuals in the Military:** On Friday, September 16, the Department will file its first appellate brief defending the administration's new policy on homosexuals in the military. The brief will be filed in Able v. United States, appealing the District Court injunctions that prohibit the military from investigating or taking any action against the plaintiffs based on their statements that they are homosexuals.

Health and Human Services

- **Department to Approve Florida Medicaid Waiver:** The Department and the State of Florida have recently agreed to the terms and conditions for the Florida Medicaid demonstration project and the approval could be announced in the very near future. The waiver would permit federal financial participation for the Florida Health Security Program (FHS). FHS will utilize a managed competition model and will provide health insurance for 1.1 million uninsured Floridians with incomes at or below 250 percent of the federal poverty level.

Veterans Affairs

- **Persian Gulf Illness Testimony and Press:** On Wednesday, September 14, Secretary Brown will testify before Senator Rockefeller's Veterans Affairs Committee, primarily on the bill to compensate Persian Gulf veterans with unexplained illnesses. The Department expects the hearing to be heated because Senator Rockefeller thinks the bill is unnecessary and that the Department can accomplish the compensation goals without new legislation.

  Also on the 14th, the Montel Williams show will deal with Persian Gulf unexplained illnesses. The show has several sick veterans and their families as guests, along with an "expert" who claims the blood of Persian Gulf veterans is tainted. At the time of this taping (a few weeks ago), the Departments of Veterans Affairs, Defense and Health and Human Services worked together to try to improve this show by providing substantive information about research as well as information about the administration's efforts to treat everyone who is ill, and find a diagnosis for their illnesses. No one at the Departments knows how successful they were in these efforts.

Department of Education

- **Family Involvement Initiative:** This past Wednesday, Secretary Riley launched a family involvement initiative at a speech before the National Press Club. The initiative focuses on the importance of family involvement in education. The speech and the initiative received favorable press across the country.

- **Higher Education Regulations:** As part of the Department's continued outreach activities concerning the higher education regulations regarding State Postsecondary Review Entities (SPREs), Secretary Riley will meet with Presidents of the nation's Historically Black Colleges next week.

Department of Agriculture

- **Pathogen Reduction Proposal:** Next week, Senator Tom Daschle and Secretary Espy will publicly release the Department's Pathogen Reduction legislative proposal. The proposal contains significant new authorities to enhance the food safety efforts of USDA and mandates that the inspection system include microbiological testing. The proposal has been the subject of intense Congressional, industry, producer and consumer group interest. The Department expects consumer groups to support the proposal.

- **Crop Insurance Reform Bill/USDA Reorganization Bill:** The House and Senate are preparing for conference on the Administration's Federal Crop Insurance Reform Act, which passed both houses last month. The Reform Act would expand and improve the current Federal crop insurance system. The Senate's version of the Reform Act includes provisions to reorganize the Department. USDA's reorganization proposal has stalled in the House as a result of a risk assessment amendment that was adopted by the Agriculture Committee.

Department of Energy

- **International Atomic Energy Agency:** On September 18-20, Secretary O'Leary will lead the U.S. delegation to the annual General Conference of the International Atomic Energy Agency. At this meeting, the Secretary will sign a nuclear safety convention on behalf of the U.S. that establishes international goals and guidelines for the safety of commercial nuclear powerplants. During the three days, the Secretary will hold bi-laterals with Japan, France, South Korea, China, Germany and Russia ; these meetings will cover such topics as nonproliferation initiatives, North Korea's nuclear program, the status of the Comprehensive test ban and nuclear materials smuggling.

- **Pakistan Trip:** On September 20-25, Secretary O'Leary will lead a Presidential delegation to Pakistan accompanied by 50 leaders from the electric power, oil and gas, renewable energy, energy efficiency, financial and regulatory communities. During the trip, the Secretary hopes to sign $2 billion in agreements between the American private sector and the Pakistani government.

Environmental Protection Agency

- **Superfund:** After more than a year of negotiation and consensus-building, Administrator Browner reports that the Superfund reform bill should pass the Congress this fall. On Monday, September 19, the House is expected to take up the bill on the floor. The Senate Finance Committee is scheduled to mark-up the bill the same week. EPA's goal is to the bill through both chambers and in conference by the first week of October.

- **Dioxin Study:** On Tuesday, September 13, Administrator Browner will release EPA's draft dioxin reassessment report for independent scientific review. The draft report is the result of an extensive three-year review of data and scientific evidence on the environmental and public health threats posed by dioxin. It does not contain any policy recommendations. Upon its release, the draft report will undergo, approximately one year of public comment and independent scientific peer review. The report is likely to draw attention in the media and from industry and environmental groups.

United Nations

- **Iraq:** The Sanctions Review is scheduled for September 14. Russia, France and Pakistan will make an effort to have the Council issue a statement welcoming Iraqi progress. The U.S.U.N. and the U.K. should have no problem preventing the statement, particularly since UNSCOM will not yet be able to report that ongoing monitoring of Iraqi weapons programs is fully operational.

- **Haiti:** Without further new developments, it is unlikely that Haiti will receive any Council action next week. U.N. Peacekeeping head Igbal Riza expressed extreme concern that further delays in joint planning meetings with U.S. experts will only delay effective U.S. support and involvement with the operation. The Canadians affirmed their wish to that UNMIH deploy as soon as possible once a secure environment is established but will only send their police monitors under the U.N. banner.

- **Press - *Washington Post*:** Ambassador Albright is scheduled to participate in a *Washington Post* editorial board and newsroom luncheon to discuss U.S. foreign policy issues, and her recent trip to Eastern Europe.

Department of State

- **Cuba:** There is considerable common ground in the most recent drafts exchanged by the two sides, but several points in the Cuban are unacceptable including: stopping anti-Castro broadcasts -- including those of privately-owned Miami stations, and lifting the new sanctions announced August 20.

- **Bosnia:** The Contact Group agreed to introduce a Security Council resolution that tightens sanctions against the Bosnian Serbs only. The text of a second tightening resolution affecting Belgrade will be introduced only if Milosevic reopens the border or otherwise restores support for the Bosnian Serbs. The Contact Group also agreed to provide Milosevic symbolic sanctions relief -- opening airports and permitting sporting and cultural links for renewable 30-day periods -- if he agrees to station international monitors on his borders.

- **Northern Ireland:** A series of interagency meetings on U.S. support for the Northern Ireland peace process is focussing attention on low-cost alternatives that would not require significant new money. We are preparing for visa applications from a number of Irish Republicans who are statutorily ineligible, including another request from Gerry Adams.

- **Cairo Population Conference:** The U.S. delegation in Cairo continues to make progress toward consensus adoption of a solid program of action on world population issues. A working group chaired by Pakistan has reached agreed language on abortion, with only the Holy See, Malta, and four Latin American countries still threatening to record reservations. We are farther apart on the language concerning reproductive health, however the delegation is confident that differences can be worked out.

Department of Defense

- **Cuba:** Twenty U.S. Navy ships and over 15,000 U.S. military personnel are committed in support of Haitian and Cuban migrant operations. There are also more than 700 Marines on stand-by at Camp Lejuene, North Carolina ready to support possible contingency operations. The safe haven at Guantanamo has been expanded to accommodate 40,000 Cubans and Haitians and is very near that capacity. Panama's safe haven was activated on Tuesday with a camp capacity of 10,000.

- **Haiti:** The Haitian camp in Suriname will open today and can facilitate 2,500 migrants by Tuesday, September 13. The CARICOM Battalion for the Multinational Force in Haiti is scheduled to deploy to Roosevelt Roads, Puerto Rico by Thursday, September 15 for training and preparation for possible operations in Haiti. The Canadian and Argentine observation contingents deployed to their Dominican Republic border patrol sites earlier this week.

- **Rwanda:** The U.S. military continues to provide assistance in support of UNAMIR. As of September 5, the U.S. Transportation Command has flown 1,133 missions in support of Operation SUPPORT HOPE and over 100 mission in support of the UNAMIR peacekeeping operation. The UNAMIR force is now 4,000-strong. Until UNAMIR is fully deployed, however it will remain difficult to provide refugees assurances that the environment within Rwanda is sufficiently secure to convince them to return home.

cc: Vice President Gore
Leon Panetta
Mack McLarty

THE PRESIDENT HAS SEEN 9/12

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9/12 original to Lake

THE WHITE HOUSE

WASHINGTON

INFORMATION

September 8, 1994

94 SEP 8 A 7:58

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT E. RUBIN
ANTHONY LAKE

SUBJECT: New York Times Editorial on the Uruguay Round Bill

OK - might be worth having someone do a detailed response to Times Ed folks not for publication but for record -

You asked for further information about a New York Times' editorial regarding the dumping provisions of the Uruguay Round bill (Tab A). USTR and the Commerce Department are confident that, contrary to the editorial's assertions, everything in the Uruguay Round bill proposed by the Administration -- or proposed by Members of Congress and supported by the Administration -- is consistent with the Uruguay Round Anti-dumping Agreement.

To implement the Uruguay Round, the U.S. is required to modify its dumping laws to bring them into conformity with new GATT obligations. In a number of areas, there is a range of possible modifications that are consistent with the GATT. The Administration's goal has been to strike a balance between the interests of the users of the dumping laws (e.g., semiconductors, steel) and the interests of U.S. firms which rely on imported inputs (e.g., computers) or which are concerned about other countries adopting U.S. approaches to dumping against U.S. exporters.

Taken a whole, we expect the Uruguay Round bill to move U.S. dumping law in a more liberalized direction. For example, for the first time, dumping duties will not be permanent, but will terminate after five years unless future dumping and injury are found to be likely. During the mark up, the Administration resisted some of the more protectionist provisions advocated by certain domestic interests. Provisions which would have had the effect of doubling dumping duties would likely have passed but for the vigorous opposition of the Administration.

On the other hand, the Administration has taken steps to ensure that the dumping law remains an effective remedy for industries confronted with unfair import competition. For example, the Administration successfully opposed an amendment offered by Senator Wallop which would have waived all dumping duties in cases where there was purportedly a short domestic supply of the product in question. Commerce believes this broad exception could have undermined the effectiveness of the law as a whole.

The Administration's approach on dumping has received broad bipartisan support in the House and the Senate. Below is a discussion of the particular issues raised in the editorial.

cc: Vice President
Chief of Staff

Fair Comparison

The fair comparison provision refers to the methodology for calculating dumping margins where exporters sell to the U.S. through related parties. Senator Hollings' provision would require Commerce, when comparing the costs of the product in the U.S. and abroad, to deduct not only the selling expenses incurred by the related party, but also its profit. While this could increase dumping duties to a limited extent, this provision is fully consistent with the Uruguay Round Anti-dumping Agreement and is the methodology used by some of our major trading partners, including the EU. It is strongly supported by the steel and semiconductor industries and opposed by the computer industry. Senators Moynihan, Baucus, Rockefeller, Dole and Danforth support this provision, which was adopted by the Senate Finance Committee.

Start-up Costs

When a company begins manufacturing a new product or using a new production facility, the costs of production typically decline as it works through initial production difficulties. The Uruguay Round Anti-dumping Agreement permits countries, when determining when to measure costs, to make an adjustment for this start-up period. Under the Administration's proposal the start up period ends when "commercial production levels" characteristic of the product or company are reached. This approach recognizes that the start up period may vary by company or industry and must be administered on a case-by-case basis. Contrary to the assertions of the editorial, the start-up adjustment will reduce the calculated costs. The Administration's proposal strikes a balance on a case-by-case basis between the competing interests of those who are concerned about short life-cycle products (e.g., semiconductors) and those who rely on the import of those products (e.g., computers).

Captive Production

The captive production provision refers to the way in which U.S. production internally consumed by integrated producers (e.g., semiconductor chips made by IBM for use in IBM machines) is treated in evaluating whether an industry is injured by import competition. The U.S. steel industry proposed an amendment which would have required the International Trade Commission (ITC) to exclude captive production when defining the scope of domestic production. Contrary to the assertions in the editorial, the Administration did not support this proposal and believes exclusion would be inconsistent with the Uruguay Round Anti-dumping Agreement. We therefore worked with the Hill on a provision which would require the ITC to "focus primarily" on the impact of imports on the "merchant" (i.e., non-captive production) market, but which would prevent the ITC from excluding captive production altogether. The Administration's support for this provision was key to securing bipartisan support for the dumping legislation and defusing support for more protectionist measures. Senator Rockefeller and Congressman Levin were the sponsors of the provision which was adopted by both the House and Senate.

As the Conference proceeds, we will keep you informed of further developments in this area.

Attachment

Tab A The New York Times Editorial

THE PRESIDENT HAS SEEN
8.22.94

Mayor Giuliani's Surprise

Despite the current squabbling over the crime bill, shared fear may yet produce legislation of some sort. Although eager to whack President Clinton, the Republicans know that the Democrats are trying to position them for a fall as the party that went soft on crime. The White House, staring at the prospect of a crippled Presidency, will compromise or threaten, depending on what it takes to get the votes to move the bill.

Given the generally craven environment, it is refreshing to see Mayor Rudolph Giuliani of New York taking over the unoccupied high ground of a smarter, loftier bipartisan politics. Stating that his obligations as Mayor outweigh party loyalty, he has been campaigning for the Clinton crime bill. He is attracted by its promise of more money for police, but he has also defended the much-demagogued provisions controlling guns and financing crime-prevention programs such as night basketball.

This, of course, has infuriated Republicans who think Mr. Clinton will be hanging on the ropes and ripe for a knockout by the 1996 election. Mr. Giuliani is being portrayed as a traitor to the party and, in the words of Guy Molinari, a victim of "blind political ambition." Republicans are also suggesting that Mr. Giuliani is blighting his future, a code-word-threat that he is sacrificing his supposed ambitions for higher office.

Although the bill's reliance on capital punishment and the absence of racial justice provisions have led us to oppose it in principle, we respect Mr. Giuliani's approach to it in his role as the city's advocate. Moreover, the eloquence with which he has defended his bipartisanship has broadened the meaning of his statement that he is "a different kind of mayor." Previously such remarks have come in the context of bashing either the Democrats or the civil-service bureaucracy.

This time Mr. Giuliani seems to have a more encompassing vision. "I'm not a partisan operative of the Republican Party," he said. Representative Charles Rangel said he hoped that philosophy would infuse all aspects of Mr. Giuliani's administration.

Perhaps it is not an unreasonable hope that the Mayor's trademark pugnacity is being tempered by his experience. In any event, watching Mr. Giuliani in the first months of office suggests a flexibility and dexterity, an ability to change as he absorbs the experience of governing that undergirds his claim to being different.

Mr. Clinton: Defend Your Trade Pledge

The Clinton Administration fought for consumers when it signed a trade accord in April with more than 100 other countries in Marrakesh, Morocco. But it besmirched its record when it sent Congress implementing legislation that contradicted the Marrakesh accord in dozens of places. It was as if the Commerce Department had decided to protect powerful corporate friends in steel, textiles and cement rather than consumers or the vast number of U.S. companies that need to buy low-cost foreign goods.

Then House and Senate committees took the Administration's draft and made it worse. Conferees will meet soon to hammer out final language — providing a chance to fix the wrongs.

At issue are anti-dumping statutes, which require foreigners to sell in the U.S. at fair prices; foreign companies may not sell at prices either below what they charge in their home country or below their cost of production. But the U.S. and other countries manipulate anti-dumping laws to shut out imports that are not dumped. The Marrakesh accord tries to limit this protectionist practice.

The accord says that the U.S. must make a fair comparison between prices here and abroad. But the Senate committee, at the insistence of Ernest Hollings of South Carolina, proposes a formula that, by treating profit differently here and abroad, would artificially deflate the calculation of prices some foreign businesses charge in the U.S. — and make conviction for dumping near-certain.

The accord also recognizes that production costs typically decline for new companies during a break-in period; the U.S. is supposed to calculate a foreign company's costs at the end of the break-in period. But the Administration and Congressional committees propose making such costs appear high by using an earlier period.

The Marrakesh accord allows countries to retaliate only if domestic industry has been harmed. To show harm, the U.S. would have to demonstrate substantial imports compared with the size of domestic production. House and Senate committees, with Administration support, propose to make U.S. production look small — and dumping look harmful — by ignoring a substantial part of U.S. output, known as captive production. Captive production refers to goods made not for sale but for use in other goods — a computer business's production of semiconductors, for example.

In Marrakesh, the Administration stood for open trade and economic growth. At home, it proposed sizable doses of protectionism. The conferees will now decide which version of U.S. policy will be the final version.

→ Rubin
What's the deal here? —
B.

THE NEW YORK TIMES, FRIDAY, AUGUST 19, 1994

THE PRESIDENT HAS SEEN

THE WHITE HOUSE

WASHINGTON

September 10, 1994

Done

RECOMMENDED TELEPHONE CALL

TO:	Senator Mitchell
DATE:	**This call must be made today.**
RECOMMENDED BY:	Patrick Griffin Tony Lake
PURPOSE:	To discuss our policy on Haiti.
BACKGROUND:	A limited number of Members of Congress are being called by Administration officials over the weekend to build support for our policy.
TOPICS OF DISCUSSION:	See attached talking points.
CONTACT PERSON AND TELEPHONE NUMBER(S):	White House Operator OR (207) 276-5159
DATE OF SUBMISSION:	September 10, 1994

ACTION:

Call to Senator George Mitchell

Senator Mitchell will be a supporter. But he will want to be able cite convincingly efforts we made leading up to intervention. Senator Mitchell will probably lead the opposition to any effort to oppose military intervention. We are working with his staff on how best to defeat such an effort. During your conversation with Senator Mitchell, you may want to mention that you are meeting with him, Speaker Foley and Majority Leader Gephardt on Monday.

[redacted]

GS

Gs do new memo to Anna — for me to sign

B.

[redacted]

Send to ~~[illegible]~~ George but have Dorskind do letter ASAP

[redacted]

THE PRESIDENT HAS SEEN 9/12

'Fearless' Quindlen leaves 'Times' behind

By David Lieberman
USA TODAY

New York Times op-ed columnist Anna Quindlen — one of the newspaper's best-known writers and a leading advocate for women's issues — shocked the newspaper world on Friday by announcing her decision to leave journalism and become a full-time novelist.

The Detroit News

QUINDLEN: Feels fulfilled writing fiction.

"It's something that I decided real early this year," she says. After writing her recently released second novel, *One True Thing*, she realized that "I just felt incredibly challenged and fulfilled writing fiction." Quindlen, 42, also wants to spend time with her three children, ages 11, 9 and 5.

But her decision to give up her lofty role as an opinion leader will have a big impact on public debate and *The Times*. "It will be hard to imagine the op-ed page without her," Publisher Arthur Sulzberger Jr. says. "Anna brought her graceful writing and insights to the paper in a way that only she could do."

Ellen Hume, media analyst at the Annenberg Washington Program, called Quindlen's departure from the page — named for being opposite the editorial page — "an enormous loss — and not just because she writes about women's issues." Quindlen was one of the few people at *The Times* who challenged policies, such as its decision to name the accuser in the William Kennedy Smith rape trial, Hume says. "She's just been fearless, and that's rare at any newspaper."

Media critic Alex Jones, formerly of *The Times*, also notes that "Anna was widely viewed as a contender to succeed Eugene Roberts as managing editor."

Quindlen says "the reaction of other women is painful, but there are a lot of other good women out there who'll speak from our perspective." As for speculation she might have become a top editor, she adds, "I can't think of a better job than that — except a job being a writer full time."

'Baseball' fans: GM, Clintons

WASHINGTON — Bill and Hillary Rodham Clinton hosted a party Saturday for filmmaker Ken Burns and others behind his new public-television miniseries, *Baseball*.

Such as the CEO of General Motors, and GM's North American president, and its chief financial officer, the head of its advertising department and its Washington lobbyist.

A dozen GM executives and their families were among 700 guests who watched excerpts from Burns' latest documentary at the National Theater, and then descended on the South Lawn of the White House for a late-afternoon picnic. Also on hand: Cabinet secretaries Donna Shalala and Robert Reich.

Outside of GM's annual meeting, spokesman Pat Morrissey says he can't remember when so many GM executives traveled en masse to an event. GM gave Burns $2.1 million to produce *Baseball* and is spending another $2.1 million to hype it.

Burns says GM gave him free rein in making the film. "I don't tell them how to make cars, and they don't tell me how to make films," he says.

CEO Smith joked he was happy to pay for the project when he heard it was going to feature "18 hours of the Boston Red Sox." Smith grew up in Worcester, Mass. There were chuckles from the audience at the opening scene of the miniseries — a dramatic overhead shot of Boston's Fenway Park. "I didn't know until this afternoon that (Smith) was a Red Sox fan," Burns says.

Each corner of the South Lawn was a baseball carnival. Hillary Clinton took a few swings at balls shot out of a pitching machine.

GM North American President G. Richard Wagoner and his sons tested their pitching arms against a speed gun.

Jack and Lydia Smith came to the party from Berlin, where they'd attended the final pullout of Soviet troops from Germany in a ceremony at the Brandenberg Gate. The GM boss perked up when he spotted J. Michael Losh, GM's chief financial officer who recently was GM's sales chief. "Congratulations on those August sales numbers," Smith told Losh.

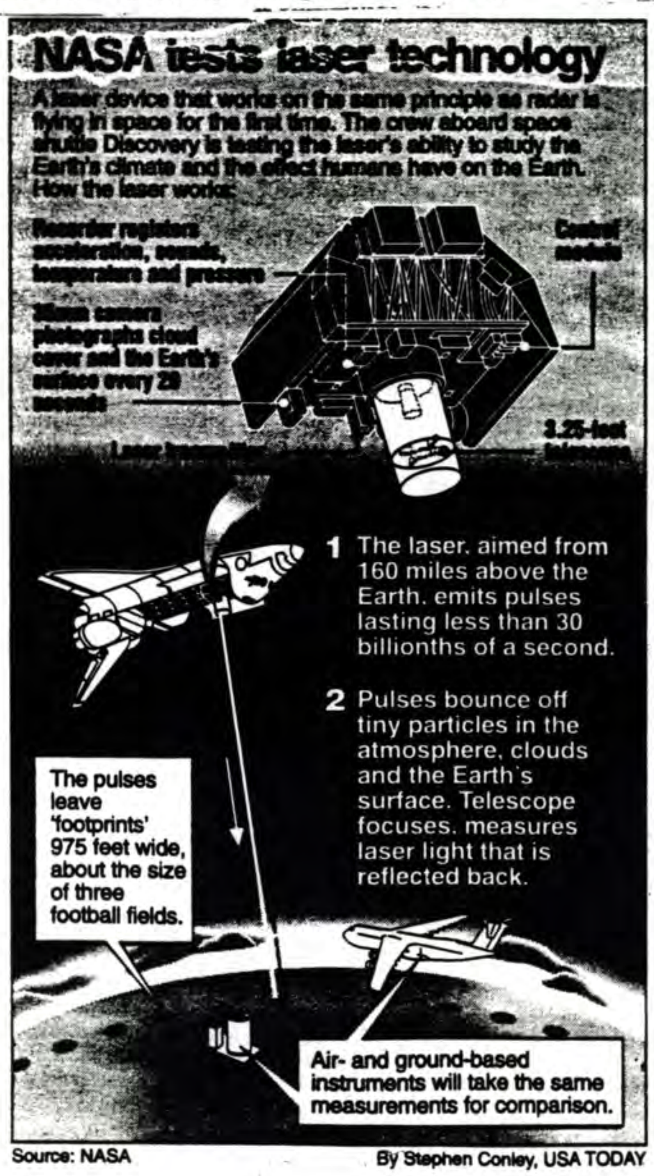
Losh said he was especially pleased with GM's car sales. "Even Cadillac did well," Losh told the GM chief.

The Clintons were among the last to leave the gathering.

The lingering baseball strike was clearly on President Clinton's mind. He said it would be better for the country and for baseball if the strike ended soon. Noting that he can't use his office to intervene, Clinton said: "I would if I could."

Baseball, which begins Sept. 18 on most PBS stations, will air in two-hour episodes over nine nights.

— Micheline Maynard



Source: NASA

By Stephen Conley, USA TODAY

Shuttle uses 'new tools' in examining the Earth

By Paul Hoversten
USA TODAY

Space shuttle Discovery's crew is zapping Earth with laser beam bursts from space this week in a unique experiment to measure clouds and atmospheric pollution.

Results so far are "truly impressive," says project scientist Pat McCormick.

Among laser targets during the weekend: Tropical Storm Debby, churning in the Caribbean and moving westward of Puerto Rico.

"It was a great opportunity for us to see, and we'll continue to make measurements of Debby," McCormick says.

Discovery, which launched Friday, is a test bed for the laser device, which NASA plans to put on a series of satellites for its Earth Observing Program, planned for launch beginning in 1998.

"We'll get from this mission a new family of tools for measuring the atmosphere," says Campbell Martin of NASA's Langley Research Center in Hampton, Va.

Also this week, the crew will release and retrieve a solar science satellite. They also will study the pressure and chemical content of jet plumes from the shuttle's thrusters to see how they affect equipment in space.

The highlight of the mission comes Friday morning, when astronauts Mark Lee and Carl Meade take turns testing a jet pack on NASA's first free-floating spacewalk in a decade.

The mission is set to end Sept. 18 with a landing at Cape Canaveral.

Agriculture Department Aide's Intervention On Behalf of Some Farmers Is Being Investigated

By Bruce Ingersoll
Staff Reporter of The Wall Street Journal

GREENVILLE, Miss. — What a difference a year makes. In 1992, Keith Mitchell, a Mississippi Delta farmer, appealed his subsidy denial all the way to Washington, only to be rebuffed by Agriculture Department higher-ups. In 1993, he tried again—and got every tax dollar he had been denied.

What explains such a bureaucratic reversal?

Newly elected President Clinton named a young congressman from Mississippi, Mike Espy, as his secretary of agriculture. Mr. Espy installed a fellow Mississippian, a farm consultant named Ron Blackley, as his chief of staff. And Mr. Blackley, it turns out, didn't forget that Mr. Mitchell was once a paying client of his and an Espy loyalist who contributed $1,800 to Mr. Espy's congressional campaigns and hosted a farm rally and cook-out for him.

Ron Blackley

Now the Agriculture Department's inspector general is investigating several instances last year in which Mr. Blackley intervened on behalf of Delta farmers who were trying to collect crop subsidies or disaster payments that Bush administration officials had refused them. At least two of the cases involve either Blackley clients or Espy campaign contributors. Mr. Blackley didn't return phone calls seeking comment.

The troubles of Mr. Blackley, who was demoted early this year, further complicate things for Mr. Espy. On Friday, a judicial panel named Los Angeles attorney Donald C. Smaltz as independent counsel to investigate the agriculture secretary's acceptance of a free plane ride, lodging and sports tickets from Tyson Foods Inc. and Chicago Bulls basketball tickets from a Quaker Oats Co. executive. His inquiry is likely to look into possible misdeeds by Mr. Blackley as well.

Agriculture Department investigators are trying to determine whether Mr. Blackley abused his authority by asking the acting head of the department's Agricultural Stabilization and Conservation Administration to review some of the very cases that he — as a consultant to farmers and part-time congressional aide to then-Rep. Espy — had unsuccessfully argued in administrative hearings just one year earlier. Investigators also are checking into whether Mr. Blackley accepted any illegal fees or gratuities from one-time clients.

At his confirmation hearing in January 1993, Mr. Espy told lawmakers that Mr. Blackley had assured him that he didn't charge consulting fees when Mr. Blackley was a congressional aide. But contrary to those assurances, Mr. Mitchell, the Delta farmer, says he paid Mr. Blackley about $3,600 over a four-year span for advice on ASCS rules and to contest an ASCS ruling. In 1992 the agency had ruled that his two college-student sons didn't contribute enough to the farming operation for corporations they owned to qualify for subsidy payments.

"Blackley went to the state committee meeting with me and to Washington," says Mr. Mitchell. "He knew his way around."

But Mr. Blackley still couldn't talk the ASCS brass into giving Mr. Mitchell and his sons an extra $189,000 in subsidies. They had to wait until the spring of 1993 to get their money. Theirs was one of several Mississippi cases that were reviewed at Mr. Blackley's request — and reversed by the acting ASCS administrator, Bruce R. Weber.

Collecting on Denied Subsidies

Another among the fortunate farmers who collected on denied subsidies was David T. Cochran Sr., an Espy campaign contributor who helped organize a fund-raiser for him. He is a cousin of Republican Mississippi Sen. Thad Cochran. He says Mr. Blackley helped him plead his case at 1992 appeals hearings in Jackson, Miss., and Washington but didn't charge for his representation. Mr. Blackley, once installed as chief of staff, arranged meetings for him with national ASCS officials. "Everything he's done to help me is perfectly legal," asserts Mr. Cochran. "I can't see any favoritism."

Because of the pending investigation, the ASCS's Mr. Weber won't comment beyond saying that the cases were "decided on their merits." Neither will Richard Allen, a senior investigator for the department.

Agriculture Department investigators also are examining Mr. Blackley's business dealings with officials of Swiss-owned Huber Farm Management Inc. in Greenville while he was working two days a week in Mr. Espy's district office. The company — now called American Agricultural Service Inc. — specialized in overseeing tenant farmers, mostly in the Deep South for moneyed European landlords. The department's auditors already have looked into the extent to which he advised his clientele of farmers and absentee landowners on how to set up elaborate labyrinths of partnerships, trusts and corporate entities. These are commonly called Mississippi Christmas trees because Delta farmers are notorious for using them to evade the $50,000-an-entity limit on subsidy payments.

Mr. Blackley often worked out of Huber's office, according to Charles Fuller, a Huber executive. Mr. Blackley, Mr. Fuller and Bill Mayton, a former Huber executive, owned a farm equipment-leasing company, BMF Inc. Huber, meanwhile, paid Mr. Blackley for advice on ASCS matters, including preparation of subsidy plans, says Mr. Fuller.

Mr. Mayton, now a real-estate broker in Naples, Fla., says he and Mr. Fuller paid Mr. Blackley's way to Washington in late 1989 so that he could help argue their case for Big Delta Planting Co. Big Delta is a partnership created to manage and equip a farming operation on seven different properties, most of which are foreign-owned. Despite Mr. Blackley's representation and the "stated interest" of Rep. Espy, their bid for as much as $200,000 in subsidy payments was denied, according to ASCS documents.

Criticized by ASCS

In the Delta bottomlands, Mr. Blackley's blend of consulting work and constituent service seems to have raised few eyebrows. But it didn't sit well with some ASCS officials. "He was advising farmers on how to earn [more] payments and then defending them at hearings," complains Charles Hull, state ASCS director in Jackson from 1986 until last year. "For a congressional aide to be participating, that looks real bad."

Mr. Blackley, who has said he stopped consulting before joining the department, has many defenders here. "The boy doesn't have any graft in him," says Wayne Dodd, a Greenville farm-loan consultant. "He helped many a farmer out of a crack with the government."

Friends of Mr. Espy say he was aware of Mr. Blackley's consulting, which was permissible under House ethics rules because it was part-time. But they regret Mr. Espy's insensitivity to the inherent stickiness of his constituents being Mr. Blackley's clients and vice versa. "We never knew what hat he was wearing or whether he was speaking for Congressman Espy or not," says Thomas Vongarlem, a senior ASCS official.

At the Agriculture Department, Mr. Blackley has been something of a political embarrassment for Mr. Espy ever since he was identified as the official who stymied for one year an agency plan to tighten fecal-contamination standards for poultry. In February, Mr. Blackley was demoted and put in charge of a task force that is trying to collect on delinquent farm loans.

'Ill-Considered Move'

That assignment is seen by critics as an ill-considered move by Mr. Espy. Currently, Mississippi ranks second behind Texas with 1,374 delinquent borrowers, including many farmers and planters in Mr. Espy's old congressional district. Department investigators are trying to determine how many of them are former clients of Mr. Blackley's and whether he may have intervened on their behalf by arranging debt relief or loan write-offs.

They have questioned Sam Angel, owner of an 11,000-acre plantation in Chicot County, Ark., about his relationship with Mr. Blackley. Mr. Angel says he sees Mr. Blackley a half-dozen times a year in Washington. "He's just a friend of mine," Mr. Angel says.

For years, Mr. Angel and Farmers Home Administration officials have been wrangling over an 858-acre farm in government hands. The cotton planter wants them to auction off the land to the highest bidder; they favor, instead, selling it to a family farmer — preferably, a beginning African-American farmer — for $338,500, well below the price Mr. Angel says he is willing to pay. In May, Mr. Angel telephoned Mr. Blackley to vent his frustrations and followed up with a letter: "I hope you can help me on this matter."

Mr. Blackley didn't intervene, Mr. Angel says, but he did say "I could use his name" in telling FmHA officials that federal policy is to maximize profits on farm sales.

—Viveca Novak contributed to this article.

THE WALL STREET JOURNAL MONDAY, SEPTEMBER 12, 1994

THE PRESIDENT HAS SEEN 9/12

Leon
What's the deal here?