

THE PRESIDENT HAS SEEN 9/19

THE WHITE HOUSE
WASHINGTON

94 SEP 16 P7:09

September 16, 1994

MEMORANDUM FOR THE PRESIDENT

FROM: CHRISTINE A. VARNEY 
Secretary to the Cabinet

SUBJECT: Summary of Weekly Cabinet Reports
September 16, 1994 through September 23, 1994

CABINET-WIDE ACTIVITY

CUSTOMER SERVICE DAY

✓ Your Cabinet has embraced Customer Service Day with vigor. The Secretaries are participating in events on Tuesday, September 20, to provide service to his/her department's customers and highlight new departmental customer service standards. Several non-Cabinet agency heads are also participating. Attached is a brief summary of Customer Service Day activities.

SCHOOL-TO-WORK

✓ Secretary Riley and Secretary Reich will jointly release the results of a national survey of young people in which 95% of those surveyed indicated an interest in participating in an education program which links them to career experience. On Thursday, September 22, Secretary Reich will join Secretary Riley and Governor Cuomo on a visit to an intermediate school in Washington Heights, New York City, where they will present the Governor with \$10 million in School-to-Work grants awarded to New York last month.

HISTORICALLY BLACK COLLEGES AND UNIVERSITIES

Beginning September 19, several Cabinet Agencies will be participating in meetings and events commemorating National Historically Black Colleges and Universities Week.

*** **

DEPARTMENT SUMMARIES

Department of the Treasury

- **Superfund:** Mark up of the Superfund proposal could come as early as next Tuesday, September 20.
- **Kerrey Commission:** The next Kerrey Commission hearing will be held on Friday, September 23.
- **Plane Crash:** Secretary Bentsen has asked Under Secretary of Enforcement Noble to review Secret Service efforts to protect the President in response to the September 12 plane crash at the White House. A report will be submitted to the Secretary in ninety days.
- **Office of Foreign Assets Control (OFAC) in Miami:** Treasury has been coordinating efforts with the White House to open an OFAC in Miami. As an interim measure, Treasury has rotated enforcement personnel from Washington to Miami to provide on-site OFAC assistance.
- **Panamanian Assets Unblocked:** Effective September 16, the sanctions program initiated to deal with the threat once posed by the Noriega regime was ended, and remaining assets of the Panamanian government were unblocked.

Department of Labor

- **Occupational Safety and Health Administration:** The Occupational Safety and Health Administration will begin a lengthy public hearing on the proposed Indoor Air Quality regulations on Tuesday, September 20.
- **International Labor Organization's Convention:** On Tuesday, September 20, the Senate Foreign Relations Committee will hold hearings on the ratification of the International Labor Organization's Convention 150, which calls for each country to have a centralized body responsible for formulating labor policy.
- **Reemployment Act (REA):** The House Education and Labor Committee will be marking up their redraft of the REA on Wednesday, September 21.

Department of Transportation

- **Coast Guard Reservists:** In response to your Executive Order, Secretary Pena has authorized the Coast Guard to begin calling up necessary reservists to fulfill our national security responsibilities.

- **Cuban Migrant Interdiction:** The USCG's Operation Able Vigil continues. The flow of Cuban migrants has decreased to less than 200 per day.
- **Potential Transit Strike in the San Francisco Bay Area:** Negotiations between the Bay Area Rapid Transit and two of its unions (Amalgamated Transit Union and Service Employees International Union) continue. The 60-day "cooling-off" period imposed by Governor Wilson will expire on Tuesday, September 20 and a strike could occur at that time. Approximately 200,000 riders in the San Francisco Bay area would be affected.

Department of Justice

- **Immigration:** The Attorney General will travel to Los Angeles this weekend to give an address on the administration's new border initiative, which includes additional funding and personnel to stem the flow of illegal aliens.
- **Breast Implant Litigation:** Today, the Department filed a brief in the breast implant class action suit asking the court for clarification that the proposed settlement does not affect any statutory rights of recovery by the federal government.
- **Health Care Anti-Trust Guidance:** The Department and the Federal Trade Commission will announce further steps, possibly on September 27 to make health care more affordable and available to all Americans. The Department and the FTC will issue nine statements designed to provide antitrust guidance to the health care industry on mergers, joint ventures and other activities that may promote efficiency and lower health care costs.

Department of Health and Human Services

- ✓ • **Florida Medicaid Waiver:** On Wednesday the Department informed Governor Chiles of the impending approval of his state's health care reform waiver, called the Florida Health Security demonstration. Governor Chiles made a public announcement of this decision and final terms and conditions were sent to the State on September 15. The Florida Health Security demonstration will modify Florida's Medicaid program and establish a distinct and separate entity to provide voluntary, employer-based, discounted insurance premiums to the working uninsured.
- **Anti-Violence Grants:** Next week the Department will announce the award of \$2.2 million in grants to help community groups organize coalitions to combat youth violence and gang activity. The goals of these grants are to identify the developmental needs of youth within their communities, to review existing services and strategies and to develop an action plan that mobilizes the strengths of the community to effectively stem the tragedy of youth violence. The grants are funded under the Youth Gang Drug Prevention Anti-Drug Abuse Act of 1988.

- **Medicare's Physician Payment Reform:** The fourth annual report on Medicare's revised physician payment system, released to Congress this week, concludes that the revised system has had no negative impact on the access to and utilization of medical services for vulnerable Medicare populations. Groups studied included the poor, African-Americans, the disabled, the very old, and those living in rural areas. The report does state, however, that barriers to care continue to exist for these populations and that additional understanding of these barriers and improved health insurance coverage are important to improving access to care.
- **Breast Cancer Gene Discovered:** On September 14, the National Institutes of Health held a special media briefing to discuss the isolation of a familial gene that predisposes to breast cancer and ovarian cancer.
- **HBCU Press Conference:** Also this week, the Department held a press conference to announce that a consortium of 16 historically and predominantly black colleges and universities will receive a \$4.25 million grant to design, develop, implement and test a series of models aimed at preventing minority male related violence. Problems to be addressed by these institutions range from drug and alcohol-related violence, spousal and child abuse to gang violence.

Department of Veterans Affairs

- **Persian Gulf Illness:** Last week, Senator Rockefeller held a hearing on two pieces of legislation relating to disability compensation for Persian Gulf veterans. Chairman Rockefeller stated his firm belief that VA can and should compensate veterans who return from service sick with symptoms that can be objectively verified. Sec. Brown testified that VA does not have authority to provide compensation for Persian Gulf veterans with undiagnosed illnesses, and urged the enactment of legislation to provide such authority.
- **Homeless Veteran Initiatives:** VA and the National Coalition for Homeless Veterans announced that additional assistance will be provided to homeless veterans in Houston, Los Angeles, and Washington D.C., through a grant from AmeriCorps. VA and the National Coalition received funds for one-year projects in which participants will provide case management, transitional housing and support services to homeless veterans in these cities.

Department of the Interior

- **Mining:** On Tuesday, September 20, the Conference Committee on mining law reform is scheduled to meet. At this point, it is unclear whether the compromise version to be offered by Chairman Bennett Johnston will have the votes to pass. If it does not have the votes, the Chairman may offer an earlier draft in an attempt to gain Republican support. There is still a significant amount of ongoing discussion among

members of the Conference Committee regarding various provisions of the bill and the Department has not seen the final legislative language. Tuesday will be a critical day as to whether mining reform will pass this Congress.

Department of Agriculture

- **USDA Reorganization Bill:** House floor consideration of legislation to reorganize the Department has been delayed while key Members work towards a compromise on a risk assessment amendment that was adopted by the House Agriculture Committee. The Administration opposes this provision, which would cost up to \$40 million to implement. Chairman de la Garza has indicated his intent to go to the House Rules Committee early next week to request a rule that would permit amendments on the floor. Such a rule would probably include a controversial debate on the risk amendment.
- **Pathogen Reduction Legislation:** As reported last week, Secretary Espy and several Senators unveiled the Administration's legislative package to strengthen meat and poultry inspection systems. The announcement was highly praised by consumer groups and received generally muted criticism by industry and producer groups.
- **School Meals Initiative:** The Department has received more than 11,000 comments on the proposed regulation for the School Meals Initiative. Comments mailed by the September 8 closing date continue to come in from students, parents and other private citizens in addition to those from school groups, food service managers and state agency child nutrition directors.
- **Farm Aid:** On Sunday, September 18, Secretary Espy will participate in Farm Aid 1994 in New Orleans.

Department of Energy

- **Foreign Plutonium Shipments:** As widely reported this week, the State of South Carolina sued the Department arguing that the Department had violated the National Environmental Policy Act by accepting spent European fuel. A Federal judge in South Carolina ruled in favor of the State. In conjunction with the Department of Justice, the Department will attempt to overturn the ruling in the Fourth Circuit Court of Appeals early next week. The State Department has also been very supportive in helping the Department communicate the message this decision is consistent with U.S. non-proliferation policy and signals the Administration's intent to be vigilant on these matters.

Environmental Protection Agency

- **Reformulated Gasoline and Ethanol:** In response to a suit by the petroleum industry, the U.S. Court of Appeals temporarily delayed EPA's rule requiring the use of renewable oxygenates in reformulated gasoline. The rule, promulgated by EPA this summer, would significantly increase the use of ethanol and other renewable oxygenates as a fuel additive. The remainder of EPA's reformulated gasoline program that does not relate to renewable oxygenates remains intact. EPA expects a final decision from the Court on this matter early next year. The Department of Agriculture is analyzing the impact that the delay will have on the 1995 corn market.

Department of State

- **GATT:** The tactical withdrawal of fast track from the Uruguay Round implementing package is causing concern among Latin American and Caribbean nations regarding the role of trade expansion in the agenda for the Summit of the Americas. We plan to use the Summit, however, to leverage support for fast track early in the new year.
- **Peace Process:** State has launched a new push to have Arab leaders initiate action to lift the Arab trade boycott of Israel. To this end, Secretary Christopher has written to heads of Arab States and Ambassador Kantor is approaching our G-7 partners to weigh in.
- **Japan Trade:** Trade talks with the Japanese in Los Angeles last week moved us close to an agreement on insurance and narrowed the gap on government procurement. We expect high-level talks to continue in Washington next week on these and other trade issues.
- **Quebec:** As expected, the separatist Parti Quebecois (PQ) won the elections for the Provincial Assembly, but their margin was smaller than expected. Nevertheless, the PQ intends to seek a Declaration of Separation and begin negotiations on division of assets and liabilities with Ottawa. A PQ spokesman said a referendum on independence would take place sometime in 1995.

Department of Defense

- **Bosnia:** There is emerging consensus regarding resolutions to be introduced at the UN to tighten sanctions on the Bosnian Serbs and ease sanctions imposed on Serbia. First steps might include allowing international air traffic and cultural/sports activities with Serbia as a reward for Milosevic's sealing of his border and willingness to accept international monitors.

- **Somalia:** General Shalikashvili convinced UN Headquarters to authorize UN forces to evacuate U.S. Government-donated police weapons and ammunition -- consolidation is taking place at Mogadishu airport. Tuesday, September 20 is the target date for removal of the equipment. Aideed is aware of this and told Ambassador Simpson that this decision would be viewed "badly" by the Somali people. Aideed was reportedly informed by a UN source.
- **Rwanda:** The UNHCR has formally requested additional assistance from DoD, some of it requiring U.S. forces to stay in the region for six additional months. This week, however, the House passed a "motion to instruct" introduced by Congressman Joe McDade (R-PA) and ranking members on Appropriations, calling on the conferees to the Defense Appropriations Bill to adopt language which would require all U.S. forces to depart Rwanda by October 7. There is every reason to hold to the September 30 end date. The situation in Kigali remains stable. In Goma, the death toll continues to decrease and approximately 1,000 refugees are returning to Rwanda daily.
- **Korea:** The more aggressive and demanding stance of the DPRK, emanating from the Berlin talks, could reflect a change of course in its approach to negotiations with the U.S. or could amount to posturing designed to soften U.S. positions. A third, and increasingly likely explanation, is that divisions have begun to emerge in the ranks of competing DPRK Ministries as to what approach to adopt in talks with the U.S. Whatever the reasons for the North Korean maneuvers, DoD believes we need to stick to the "no refueling, spend fuel out" position that is at the core of our "freeze" posture.

United Nations

- **International Lesbian and Gay Association (ILGA):** Earlier this year, Congress enacted legislation withholding \$118 million in U.S. contributions to international organizations pending certification by the Administration that no UN agency or affiliated agency promotes, condones or advocates the legalization of pedophilia. Although ILGA itself is on record in opposition to pedophilia, it has been unable, to date, to provide a similar assurance with respect to its membership. Consequently the U.S. will take action today to suspend the observer status of ILGA from the Economic and Social Council of the UN. ILGA would be invited to re-apply for observer status once it is able to provide convincing assurances that none of its member groups promotes pedophilia.
- **Rwanda:** The U.N. will continue to work with other Council members to adopt resolutions to authorize neighboring states to take war criminals into custody, and to expand the War Crimes Tribunal to cover Rwanda.
- **Opening of the 49th UN General Assembly:** USUN is preparing for your visit to the opening of the 49th UN General Assembly. Agenda items for the new session will include: making the UN more effective and accountable; supporting the Middle

East peace process; advancing our human rights agenda; promoting sustainable development and the protection of the environment; improving UN peacekeeping capabilities; reforming the Security Council; furthering arms control and disarmament objectives; and neutralizing opposition to the U.S. embargo against Cuba.

United States Trade Representative

- **Japan:** USTR announced a record 21.9 percent foreign market share under the U.S.-Japan Semiconductor Arrangement. This represents more than a full percentage point gain over the previous record of 20 percent set in both the fourth quarter of 1993 and the first quarter of 1994. In 1993, the average foreign market share was 19.4 percent.
- **UR Implementation:** Following Ways & Means and Senate Finance informal conferences this week, the UR implementation package will go to full conference next Tuesday and will be finalized by Wednesday or Thursday for submission (tentatively) by September 26. Since Fast Track has been removed, funding remains the major outstanding issue. Sen. Dole appears to be softening his stance on UR implementation and we're hopeful all his concerns will be addressed by beginning of next week.

HAITI

The recruitment effort has increased to 20 the number of countries joining the Multinational Coalition for a total of 1,900 troops. The Multinational Observer Group is operational along the Haitian/Dominican Republic border. Canadian, Argentine, and American observer forces are the only forces currently deployed as observers. Debate has begun in the Dominican Republic legislature on the legality of the observers being in country. The issue is sovereignty. The U.S. Embassy does not think the debate will affect operations.

CUBA

Despite the announcement of the agreement, the flow of migrants continues. Crowding at Guantanamo has increased and along with it grows unrest in the Cuban population. There were numerous Cuban demonstrations in Guantanamo on September 12 and 13. Approximately 2,000 migrants breached the wire at Camp Bulkeley and began to flee into the hills in the area. Troops were dispatched and returned the migrants to the Camp. Approximately 2,000 migrants from Camp Victor attempted to move towards a naval base housing area and were contained by USMC ground defense forces. All of these demonstrations were the result of the Cubans belief that large disturbances will help get them to the United States.

cc: Vice President Gore
Leon Panetta
Mack McLarty

9/30
THE PRESIDENT HAS SEEN

THE WHITE HOUSE
WASHINGTON

SEPTEMBER 29, 1994

RECOMMENDED TELEPHONE C.

TO:

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Senator Ben Nighthorse Campbell
Senator J. Bennett Johnston
Senator Robert Kerrey
Senator Harlan Mathews
Senator Richard Shelby

Senator Ben Nighthorse
Campbell
Senator J. Bennett Johnston
Senator Robert Kerrey
Senator Harlan Mathews
Senator Richard Shelby

re Campaign Finance Reform
bill

DATE: September 29, 1994

RECOMMENDED BY: Patrick J. Griffin
Steve Ricchetti
Michael Waldman

PURPOSE: To ask the Senators to support the motion to invoke cloture on the motion to request a conference with the House on S.3, the Campaign Finance Reform bill.

BACKGROUND: This past Tuesday, Senators Campbell, Johnston, Kerrey, Mathews, and Shelby voted against a motion to invoke cloture on Campaign Finance. As a result the motion failed by a vote of 57-43. Tomorrow, the Senate will again vote on a motion to invoke cloture. It is imperative that the supporters of S. 3 garner the necessary 60 votes to invoke cloture. The Senators listed above were the only Democrats to vote against the cloture motion.

TOPICS OF DISCUSSION:

1. Emphasize the importance of this legislation given the current political climate. The American people overwhelmingly support campaign reform.
2. Recognize the Senators' concerns over taxpayer financing of elections. Emphasize the fact that this bill is NOT taxpayer funding of elections. Funds used to finance campaigns would come from a fee on PACs, a fee on registered lobbyists, a fee on excess expenditures by campaign committees, and voluntary contributions by taxpayers (this is NOT a checkoff like the Presidential system, this is money above and beyond the tax payment). This funding mix IS publicly defensible.

3. Emphasize the fact that this legislation is REAL reform. It includes voluntary spending limits, it lowers the PAC limit from \$10,000 to \$6,000 per election cycle, it abolishes Leadership PACs, and bans the use of soft money in federal elections.

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

DATE OF SUBMISSION: September 29, 1994

ACTION: _____

THE PRESIDENT HAS SEEN 9/30

94 SEP 13 P4:09

MEMORANDUM FOR THE PRESIDENT

FROM: RICKI SEIDMAN *RS*
DATE: SEPTEMBER 13, 1994
RE: SPORTING EVENTS AT THE WHITE HOUSE

The following is a list of requests we have received for sporting events at the White House. Please review this list and number your priorities in the blank next to each.

✓
____ US Soccer World Cup Team

Rep. Lancaster has requested a White House event with the US Soccer Team in honor of their success in the 1994 World Cup. Also, on your phone call to the team July 2nd, you invited them to the White House.

✓
____ New York Rangers, NHL Stanley Cup Champions

Sen. Moynihan and Rep. Lowey have requested a White House event with the New York Rangers to honor them as the 1994 Stanley Cup Winners. This is the first time in 54 years that the New York Rangers have won the Stanley Cup.

✓
____ Houston Rockets, NBA Champions

Rep. Frost and others have requested an event with the Houston Rockets to celebrate their first NBA Championship in the teams 27-year history.

✓
____ Princeton Men's and Women's Lacrosse Teams,
1994 NCAA Champions

Sen. Bill Bradley has requested a White House event with the teams and expressed this as a priority for him. The Princeton men's and women's lacrosse teams won the NCAA Division I lacrosse titles.

✓
____ Oklahoma University Baseball Team,
1994 NCAA Champions

Sen. Boren requested a White House event as a priority for him.

CC: Leon Panetta
Pat Griffin
Joan Baggett

*OK
push up to
Muss*

THE WHITE HOUSE
WASHINGTON

94 SEP 23 P12:00

September 22, 1994

RECOMMENDED TELEPHONE CALL

TO: Chairman John Dingell

DATE: As soon as possible

RECOMMENDED BY: Patrick J. Griffin

PURPOSE: To ask the Chairman to agree to drop the Manton amendment which is now part of the House-passed version of the National Competitive Act (H.R. 820/S. 4)

BACKGROUND: Wednesday, you had a conversation with Senator Rockefeller about calling Chairman Dingell to discuss the Manton amendment, which is preventing House and Senate conference agreement on the National Competitiveness Act.

The Act implements your technology and economic growth initiative by creating a national manufacturing program; increasing the Advanced Technology Program to support industry-led development of critical technologies; and authorizing key National Information Infrastructure demonstration projects. The Act helps provide the level and scope of technology infrastructure that U.S. industry needs to generate sales and hence create jobs in advanced technologies and beat our competitors in the global marketplace.

The Manton amendment, which has been promoted by Dingell, is an addition to the House version of the National Competitiveness Act that would require any company seeking to participate in programs authorized under the bill first to obtain certification by the Commerce Department that it is a "U.S. Company" or "U.S. Manufacturer" as stringently defined by the Act. For any company to

be eligible Commerce would have to find that it: maintains substantial employment in the U.S.; promises to manufacture in the U.S. any technology developed with assistance from the Act; will procure parts and material from U.S. suppliers. In the case of a U.S. subsidiary of a foreign company, the Department must find that the country of the parent company meets several reciprocity criteria concerning that country's standard setting and intellectual property practices, as well as U.S. companies' access to government-sponsored R&D.

Industry and the Administration strongly oppose this amendment, which would hinder the participation of a wide range of U.S.- based companies in technology, manufacturing, and NII programs authorized in the bill. This would damage your technology initiative, without providing any real trade leverage. Both industry and the Administration support the Senate approach that requires that the Department ensure that the principal economic benefits of the Advanced Technology Program accrue to the U.S. economy.

The Senate has rejected Chairman Dingell's compromise offer because it merely recasts the Manton amendment as a series of reporting requirements and maintains the ban on participation of any company of a country that fails to meet the Manton amendment's standards requirements. This does not go far enough for the Administration or industry.

TOPICS OF DISCUSSION:

1. Passage of the National Competitiveness Act is an important part of your agenda for economic growth and creating jobs. It delivers on your promise to build a national network of manufacturing centers to help small companies to compete in the tough global economy.

2. While the Chairman's efforts to work out a compromise on the Manton language is greatly appreciated, the issue still has not been resolved. We are now faced with very little time to get this bill passed.
3. It is highly likely that Senate Republicans will filibuster any conference report that contains a Manton-like provision, including Dingell's latest compromise offer.
4. You are initiating a rigorous internal review process led by the NEC/CEA to inventory technology-related market access problems. This process will determine the best ground rules for participation in all our technology programs.

CONTACT PERSON AND
TELEPHONE NUMBER(S):

White House Operator

DATE OF SUBMISSION:

September 23, 1994

ACTION: _____

THE WHITE HOUSE
WASHINGTON

September 30, 1994

RECOMMENDED TELEPHONE CALL

94 SEP 30 A10:03

TO: MAJORITY LEADER GEPHARDT

DATE: FRI., SEPT. 30, ASAP

FROM: Griffin; Brophy; Emerson

PURPOSE: To strongly urge that the House vote on GATT take place next week, as planned.

BKGRND: The House leadership has tentatively set its vote on GATT for Wednesday, October 5. Now that the Senate appears to have postponed its vote until after the election, Gephardt is under pressure from some members to do the same. They do not want to risk alienating labor and Perot activists (who are organizing town meetings in their districts and criticizing the WTO) by voting for GATT pre-election. The leadership will make a decision by mid-day on the vote.

POINTS: 1. To postpone the House vote could severely jeopardize the GATT--we have the momentum and the votes now; let's get it done. To delay will just give opponents more time to organize.

2. If members feel pressure from labor and Perot folks now, imagine the pressure that will build--from opponents and business oriented proponents--during the next month if they do not vote now.

3. A post election lame duck session in the House could be very messy.

4. There is still a chance that Hollings will relent and allow a Senate vote next week--especially as his colleagues contemplate coming back in December. But that chance will evaporate if the House does not vote.

5. As it is, I will have to go to APEC without GATT approval. The damage from that will be mitigated if GATT has already passed the House.

ACTION: _____

THE WHITE HOUSE

WASHINGTON

September 28, 1994

94 SEP 28 P7:54

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM:

ANTHONY LAKE
RICKI SEIDMAN

SUBJECT:

Invitation: Fulbright Prize for International
Understanding to President Carter

Purpose

To inform you of an invitation to an award ceremony for President Carter.

Background

You have been invited to attend an award ceremony at the State Department at which former President Carter will be presented with the second annual Fulbright Prize for International Understanding.

Established by the Fulbright Association, the Prize rewards outstanding contributions toward "bringing peoples, cultures, or nations to greater understanding of others." Nelson Mandela received the first Fulbright Prize last October.

The award ceremony will be held on October 1 at 11:30 a.m. and will be followed by a luncheon. Should you choose to attend, we would arrange for you to make a statement at some point during the proceedings. Sen. Fulbright's health will not permit him to travel to the ceremony, but his wife, Harriet, will be there.

The Association does not have high expectations that you will attend and we do not believe that your participation is necessary. However, in view of your relationships with Sen. Fulbright and President Carter, we wanted to make you aware of this invitation.

RECOMMENDATION

That White House scheduling be directed to decline on your behalf.

Approve ☒

Disapprove ☐

cc: Vice President
Chief of Staff

Alternatively, that we attempt to arrange your participation in the event.

Approve _____

Disapprove _____

Attachment

Tab A Letter of Invitation

Staff

7563

Scheduling Advice Memorandum

FROM: RICKI SEIDMAN

TO:

JOAN BAGGETT
LLOYD CUTLER
RAHM EMANUEL
JOHN EMERSON
MARK GEARAN
JACK GIBBONS
PAT GRIFFIN
MARCIA HALE
KAREN HANCOX
ALEXIS HERMAN
NANCY HERNREICH
HAROLD ICKES
WILL ITOH
PHIL LADER
ANTHONY LAKE
BRUCE LINDSEY
AL MALDON

KATIE MCGINTY
MACK MCLARTY
LEON PANETTA
JOHN PODESTA
JACK QUINN
CAROL RASCO
BOB RUBIN
ELI SEGAL
PATTI SOLIS
GEORGE STEPHANOPOLOUS
ANN STOCK
CHRISTINE VARNEY
MELANNE VERVEER
DANNY WEXLER
MAGGIE WILLIAMS
TONY WILSON

RE: Jimmy Carter receiving "Fulbright Award"

The Scheduling Office is considering the attached invitation.
Please advise us:

- ☐ POTUS should attend.
- ☐ POTUS should/need not attend.
- ☐ POTUS should/need not attend but should send a representative



If you think POTUS should attend please submit a proposal ASAP

Your Additional Comments:

To Ann McGuire —
Per Nancy Soderberg's request, we have drafted
an action memo to the President on this event for Tony Lake's
& Ricki Seidman's signature. Ricki should get
PLEASE RETURN THIS MEMO TO ANNE MCGUIRE IN ROOM 185.5 BY 9/20
it after Tony has reviewed the draft. Eric S. [unclear] x69351

5/14/94

Fulbright

ASSOCIATION

078/86

1130 17th Street, NW, Suite 520, Washington, DC 20036 (202) 331-1590 FAX (202) 331-1979

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EXECUTIVE DIRECTOR

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John Chonghoon Lee, Sr.

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Mary C. McNiry

American Productivity & Quality
Center Consulting Group, TX

Naima Prevots

The American University, DC

Cassandra A. Pyle

Boulder, CO

Brenda S. Robinson

The California State University

Elliott P. Skinner

Columbia University, NY

Robert Wright

Pepperdine University, CA

September 6, 1994

The President and Mrs. Clinton

The White House

Washington, D.C. 20500

Dear President and Mrs. Clinton:

As President of the Board of Directors of the Fulbright Association, I consider it a special privilege to invite you to join us at the Department of State on Saturday, October 1, when former President Jimmy Carter will be awarded the 1994 J. William Fulbright Prize for International Understanding. The ceremony will be held in the State Department's Dean Acheson Auditorium at 11:30 a.m., followed by a luncheon reception with President Carter in the Diplomatic Reception Rooms. The luncheon will end at 2:15 p.m.

The Fulbright Prize was established to honor the largest and most significant educational exchange program in history as well as the career and spirit of its creator, Senator J. William Fulbright. The prize recognizes and rewards outstanding contributions towards bringing peoples, cultures, or nations to greater understanding of others. Considered for the prize are individuals in any part of the world who have made a substantial contribution to breaking through the barriers which divide humankind. Nelson Mandela received the inaugural Fulbright Prize last October.

As 39th president of the United States, Jimmy Carter championed human rights throughout the world. Since leaving the White House, he has actively continued the battle to protect human rights, promote democracy, resolve conflict and prevent disease worldwide.

We hope you will be with us to help honor President Carter on this special occasion. Please let us know by calling the R.s.v.p. phone number listed below. You will be sent a formal invitation and ticket upon your acceptance.

Yours truly,



Maurizio A. Gianturco

President, Board of Directors

R.s.v.p. to Kitty Lansdale by September 16 (202) 467-6500

THE WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET

INCOMING

DATE RECEIVED: SEPTEMBER 13, 1994

NAME OF CORRESPONDENT: MR. MAURIZIO A. GIANTUREO

SUBJECT: INVITES THE PRESIDENT TO JOIN THE FULLBRIGHT
ASSOCIATION AT THE DEPARTMENT OF STATE, OCT
1 94, WHEN FORMER JIMMY CARTER WILL BE
AWARDED THE 94 J. WILLIAM FULLBRIGHT PRIZE

SEP 14 1994

ROUTE TO: OFFICE/AGENCY	(STAFF NAME)	ACTION		DISPOSITION	
		ACT CODE	DATE YY/MM/DD	TYPE RESP	C COMPLETED D YY/MM/DD
ANNA WINDERBAUM		ORG	94/09/13		
REFERRAL NOTE:					
REFERRAL NOTE:					
REFERRAL NOTE:					
REFERRAL NOTE:					
REFERRAL NOTE:					

COMMENTS: 941001 941001 DC WASHINGTON

ADDITIONAL CORRESPONDENTS: MEDIA:L INDIVIDUAL CODES: _____

MI MAIL USER CODES: (A) _____ (B) _____ (C) _____

*ACTION CODES:	*DISPOSITION	*OUTGOING	*
*	*	*CORRESPONDENCE:	*
*A-APPROPRIATE ACTION	*A-ANSWERED	*TYPE RESP=INITIALS	*
*C-COMMENT/RECOM	*B-NON-SPEC REFERRAL	*OF SIGNER	*
*D-DRAFT RESPONSE	*C-COMPLETED	*CODE = A	*
*F-FURNISH FACT SHEET	*S-SUSPENDED	*COMPLETED = DATE OF	*
I-INFO COPY/NO ACT NEC		*OUTGOING	*
*R-DIRECT REPLY W/COPY *			*
*S-FOR-SIGNATURE *			*
*X-INTERIM REPLY *			*

REFER QUESTIONS AND ROUTING UPDATES TO CENTRAL REFERENCE
(ROOM 75,OEOb) EXT-2590
KEEP THIS WORKSHEET ATTACHED TO THE ORIGINAL INCOMING
LETTER AT ALL TIMES AND SEND COMPLETED RECORD TO RECORDS
MANAGEMENT.

September 28, 1994

MEMORANDUM FOR FLORENCE CHAMPAGNE

FROM: R. PAUL RICHARD

SUBJECT: SPEAKING ENGAGEMENT AT PENN STATE UNIVERSITY

As part of the observance of National Coming Out Day and Week, I have been asked to speak by the Lesbian, Gay and Bisexual Students Association of Penn State University on October 14, 1994. The organization has agreed to pay my expenses to attend and speak. A copy of the proposed contract between the University and myself is attached for your review.

I am submitting this memorandum for clearance by Counsel prior to submission to Communications and the Chief of Staff.

Please feel free to contact me if you have any questions.

Enclosure

cc: John D. Podesta



PCB Programming Coordination Board

Programming Coordination Board
The Pennsylvania State University
225 HUB
University Park, PA 16802

(814) 863-8951
FAX (814) 863-9576

FAX Cover Sheet

To: Paul Richard / White House
Office of the Staff Secretary

Person: Paul Richard

FAX #: 202-456-2215

Date: 9/28/94

Pages (including cover sheet): 4

From: Joshua Granwell / LGBSA

Comments: Mr. Richard - Please return

3 copies of this contract with 3
original signatures to ^{LGBSA} 310 Hub University Park, PA
Please also call me, office (814) 865-3327
or home (814) 231-1883 to
discuss details. Thank You.
16802

STUDENT ORGANIZATION
AGREEMENT FOR PERSONAL SERVICES

This agreement is for the performance engagement described below, made this 28 day of Sept 94
between

Lesbian, Gay, Bisexual Student Alliance
OF PENN STATE UNIVERSITY, (herein called the Sponsor) AND, . . .

Paul Richard

(herein called Artist)

Such services are to be performed on the property of THE PENNSYLVANIA STATE UNIVERSITY,
(herein called University)

LOCATION

OF ENGAGEMENT: 110 Wartick

DATE AND TIME

OF ENGAGEMENT: October 14, 1994 6pm

TYPE OF

ENGAGEMENT: Speaking Engagement

FEE AGREED UPON: \$0.00

ADDITIONAL HOSPITALITY: One Night's Stay at the Nittany Lion
Inn, Airfare and meals.

SPONSOR WILL MAKE

PAYMENT AS FOLLOWS: N/A

ARTIST'S STATUS AS INDEPENDENT CONTRACTOR: Artist is retained by the Sponsor solely for the purposes and to the extent set forth in this AGREEMENT, and Artist's relation to the Sponsor during the term of this contract shall be that of independent contractor. Artist shall be free to dispose of such portion of Artist's entire time, energy and skill as Artist is not obligated to devote hereunder to the Sponsor as Artist sees fit, and to such persons, firms or corporations as Artist deems advisable.

LIABILITY: Artist hereby releases and forever discharges the Sponsor and the University, their officers, agents and employees from any and all liability, losses, costs, expenses, causes of action, claims and suits for property damage, theft of property or personal injury (including death) arising in connection with Artist's performance of services hereunder, unless such damage, theft or injury is caused by the negligent acts or omissions of the Sponsor or the University, their respective officers, agents or employees, in which case the foregoing release shall not apply to the negligent party but shall remain applicable as to the non-negligent party. Artist understands and agrees that Sponsor and University are separate entities, that University's sole relationship to Sponsor for purposes of this AGREEMENT is that of owner of property on which Artist's contracted services with Sponsor are to be rendered and that the acts or omissions of Sponsor or University shall not be construed or considered, for purposes of the AGREEMENT or otherwise, as the acts or omissions of the other. The artist, at its own cost and expense, shall be

solely responsible for securing and shall secure any and all performing, broadcasting and other rights or licenses as may be required for any and all copyrighted works performed by Artist during this engagement. Artist shall indemnify and hold harmless the Sponsor and the University, their officers, agents and employees from any and all liability, losses, costs, expenses, including reasonable attorney's fees, causes of action, claims and suits, whether based upon infringement of copyright or other proprietary right or negligent or intentional acts or omissions of Artist, its officers, agents and employees, arising in connection with Artist's performance of service hereunder.

SECURITY: The Artist(s) acknowledge that smoking, controlled substances, and alcohol policies and regulations of the Commonwealth of Pennsylvania and the Pennsylvania State University shall be in effect. The Sponsor's representative will have an announcement made concerning these regulations over a public address system maintained by the Sponsor in the place of performance, prior to the beginning of the performance. There shall be no smoking, and absolutely no use of controlled substances or alcoholic beverages in any area of the University facilities. The Sponsor will exercise reasonable care and judgement in determining the extent of personnel necessary to assume adequate crowd control.

AUDIENCE PARTICIPATION: No person who is legally a minor can be involved in any performance or demonstration unless permission is received from a parent or legal guardian who is present at the demonstration.

SPECIFICATIONS: The Artist(s)' performance shall begin at approximately 6pm at the discretion of the Sponsor's representative. The performance shall consist of Speaking/Question. The performance shall have a minimum duration of 60 minutes and a maximum duration of 120 minutes.

The Sponsor shall be responsible for providing the following sound and lighting equipment:

Public Announcement system and podium.

and appropriate technician(s) adequate to fulfill performance needs. The Sponsor's representative will maintain final control, supervision, and coordination of the utilization of the aforementioned Sponsor equipment and personnel. The Artist(s) shall provide an individual, having considerable knowledge of the intended content of the Artist(s)' performance, to assist the Sponsor's lighting personnel. The Sponsor's representative will attempt to fulfill as many of the lighting requests as possible.

The Sponsor will guarantee that the place of performance will be closed to access by the public between 5pm and 5:30pm on the date of performance.

The Artist(s) assumes sole responsibility for acquisition of and all costs for lodging accommodations unless noted above as ADDITIONAL HOSPITALITY.

The Artist(s) will make themselves accessible to a representative(s) of any of the several University-affiliated publications for interview purposes in advance of and following the engagement.

Failure of the Sponsor to comply with or properly execute the clauses of this AGREEMENT may result in the delay of the start of the performance, but not the shortening of the performance duration, without penalty to the Artist(s).

It is agreed that payment by the Sponsor in accordance with AGREEMENT hereof is expressly conditioned on full performance by the Artist(s) of the duties and obligations herein created. In

to Steve
Neuwirth
9/28

September 23, 1994

MR. PRESIDENT:

The attached memo was forwarded to Leon by Congressman Vento. He is concerned about DOJ's recent announcement that the Department will explore developing a new legal citation system and the possibility of a public domain database for federal and state judicial opinions.

West's background paper alleges that DOJ's announcement is part of a campaign to undermine West Publishing Company by other commercial competitors.

Vance Opperman, CEO of West, is a Democratic activist and supporter, and has played a key role in organizing the fundraiser you will attend tomorrow. Opperman has spoken with Mack on this issue. You should be aware of this should the issue arise.

R. Paul Richard

Original Transmitted
Fax Transmittal Memo 7672

To Hon. Mack McLarty

Company

Location

Fax #

Comments

PLEASE SEE NOTE
INFORMATION RECENTLY SENT TO MR. PAVETTA.



No. of Pages

6

Transmitted

9-21

11:45

From

BRUCE VENTO, M.C.

Company

Location

Local Number

Fax #

Telephone #

225-4441

Original
Destination

☐ Desktop

☐ Fax

☐ Call in message

File
West Law

ATTN: Leon Pavetta

Thanks for visiting with me this A.M. on WESTLAW concern. This is the background that West Publishing shared with me concerning the DOJ proposal. Vance Opperman is a top national activist in Democrat circles - assumed CEO role from father, Dwight, (who was a GOPer) the past year.

The President should be aware and we should talk the substance of what is being contemplated.

- Bruce

RE: WEST LAW / VANCE OPPERMAN
FROM: CONGRESSMAN BRUCE VENTO

Steve

**THE U.S. DEPARTMENT OF JUSTICE IS RESEARCHING A PLAN
TO SPEND \$100 MILLION TO CREATE A NEW, TAXPAYER
FUNDED LEGAL INFORMATION SERVICE - PUT PRIVATE
SECTOR LEGAL INFORMATION COMPANIES OUT OF BUSINESS -
- AND THROW TENS OF THOUSANDS OF TAXPAYING
AMERICANS OUT OF WORK.**

- I. BACKGROUND: THE SITUATION AT THE DEPARTMENT OF JUSTICE (DOJ):
- A. DOJ is preparing a request for proposal for computer-assisted legal information services.
1. Since the early 1980's, and up until the expiration of its contract with DOJ last January, West Publishing Company of Eagan, Minnesota leased some 120 of its 4000+ WESTLAW legal databases to the Department for inclusion in DOJ's in-house JURIS system of computerized legal research. Last year, citing the inefficiency and relatively high cost-to-benefit ratio of the now antiquated JURIS in this new age of electronic information, West decided not to seek renewal of that lease agreement.
 2. DOJ shut down JURIS following the West announcement and has, for the past several months, been using WESTLAW, LEXIS, and other private sector, online legal information services. DOJ has reportedly saved over \$1 million in legal research costs since JURIS was discontinued.
 3. DOJ is now preparing a request for proposal (RFP) for a new system of online legal research. West will decide whether or not to bid after examining the proposal.
- B. On September 2, DOJ announced that it is:
1. "evaluating" various existing citation systems intending "to develop a unified, comprehensive approach acceptable to federal and state courts, attorneys and legal researchers (emphasis added);"
 2. "...exploring the possibility of a public domain database of federal and state judicial opinions."

II. DOJ'S ANNOUNCEMENT STEMS, IN PART, FROM A WELL-ORCHESTRATED AND WELL-COORDINATED CAMPAIGN BY THE SO-CALLED TAXPAYERS ASSETS PROJECT (TAP) AND A GROUP OF WEST'S COMMERCIAL COMPETITORS. THESE PARTIES SEEK TO UNDERMINE WEST'S POSITION IN THE MARKETPLACE BY DISSEMINATING, DESPITE REPEATED EFFORTS TO CORRECT THEM, 2 COMPLETELY FALSE AND MISLEADING CHARGES:

A. FALSE CHARGE # 1: West has a lock on legal information because federal courts require West citations.

THE FACTS:

1. A study conducted at the request of Congress revealed that of 101 federal and appeals courts surveyed, only 15 purport to require West citations -- and even that small number indicated sufficient flexibility to accept a citation to any reliable source.
2. Far from being monolithic, the current citation systems reflect vigorous competition among a host of legal publishers. In 1992, for example, there were at least 65 providers of case reports, and this number is growing rapidly. For instance, the 15th edition of the well-known, 300-plus page Harvard Bluebook provides thousands of citations -- suggested citation formats and rules for citing to virtually every source of legal information, whether in print or electronic media.
3. West does not object to the use of its citations. Rather, West allows all kinds of people, including its competitors, to use West citations as a matter of course and at no charge. For instance, Shepard's products are made up of West and other publishers' citations.
4. West's case report publications are available -- generally at no cost -- to those who desire access to the law at over 3600 law libraries located across the United States. Thus, rather than limiting the access of citizens to the law, the availability of West's publications to the public has actually broadened citizens' access to the law.

Moreover, some 32,625 public libraries throughout America provide a wide variety of legal information, readily available to all citizens.

- D. FALSE CHARGE # 2: West somehow denies Americans access to the law by copyrighting court opinions.

THE FACTS:

1. West cannot copyright, does not copyright, and categorically opposes any suggestion of copyright over any court opinion. Court opinions are in the public domain. Anyone can obtain them, format them and publish them. At last count, there were over 65 publishers of state and federal caselaw, and the number is steadily growing.
2. West only holds copyright in its reports of court opinions, which contain much value-added editing and editorial content. This is the work product of thousands of skilled editors over the course of 100 plus years West has been in business.

III. AN ADDITIONAL PUBLIC CITATION SYSTEM OF THE KIND BEING CONTEMPLATED BY DOJ IS COSTLY, UNNECESSARY AND THREATENS TO SQUELCH NEW AND INNOVATIVE SYSTEMS. A DOCKET/CASE NUMBER BASED PUBLIC CITATION SYSTEM THAT IS RECOGNIZED BY THE BLUEBOOK ALREADY EXISTS:

- A. The present systems have been developing and improving rapidly for over 100 years. A new, so-called "public domain" citation system would serve only to expend increasingly scarce taxpayer dollars and create new problems for the legal profession and private citizens.

Specifically, an additional public citation system would:

1. Require adding a clutter of new cites to all existing and new legal writings;
2. Add to the workload of judges, lawyers, scholars and the researchers, writers, readers, and editors of legal writings -- and the costs paid by users of the American legal system;

3. Add to the sheer volume, storage, logistics, and administration of all legal writings, from court opinions to legal briefs to law review articles -- and again, increase the costs paid by users of the American legal system;
4. Make legal writings even less readable;
5. Squelch innovation.

III. TAP AND ITS ALLIES WANT DOJ TO SPEND HARD-EARNED, SCARCE, TAXPAYER MONEY TO CREATE A COMPLICATED, UNNECESSARY NEW CITATION SYSTEM AND DUPLICATE PRIVATE SECTOR LEGAL DATABASES:

A. THE FACTS:

1. Knowledgeable sources within DOJ and the courts estimate initial costs of up to \$100 million -- with millions more added for upkeep and operation.
2. Under OMB Circular A-130, DOJ appears to lack the legal authority to construct a new, "public domain" citation system and a new online public legal service. The private sector provides readily available legal information at reasonable prices.
3. Creation of a such a taxpayer-funded, government-run citation system and online legal information service would:
 - * Put America's private sector legal information industry out of business -- and cost tens of thousands of taxpaying Americans their jobs;
 - * Necessitate an enormously expensive, new taxpayer-funded bureaucracy to create, control and maintain the system;
 - * Undermine the emerging National Information Infrastructure with a high profile attack on the legal guarantee of intellectual property protection which private sector information companies must have to participate in the NII;
 - * Contradict the National Performance Review of "reinventing government" -- diverting DOJ from its legitimate tasks, making DOJ less efficient, and DOJ personnel less productive;

- * Violate the intent and letter of OMB Circular A-130,
which prohibits federal agencies from undertaking
initiatives already performed by the private sector;
- * Divert enormous amounts of money from other truly
necessary government initiatives such as fighting crime,
protecting the environment and educating kids;
- * Eventually make DOJ the sole "official" source of legal
information in America raising the very real specter of
government censorship over legal information;
- * Impinge on the Constitutional principle of separation of
powers.

CC: NH ✓

THE WHITE HOUSE
WASHINGTON

Sent
94 SEP 27 P4:11

OFFICE OF THE STAFF SECRETARY

Fax Transmittal Sheet

TO: BUDDY HOELZEMAN

% Linda Dixon

Fax Number:

Phone Number:

~~501-727-5427~~

501-375-0512

FROM:

FRAN WESSEL (FOR NANCY HERNREICH)

SUBJECT:

DATE: 9/27/94

NUMBER OF PAGES (including cover sheet): 2

MESSAGE:

PRESIDENTIAL AUTHORIZATION LETTER

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

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THE WHITE HOUSE
WASHINGTON

September 27, 1994

Mr. Buddy Hoelzeman
Director, Museum of Automobiles
Route 3, Box 306
Morrilton, Arkansas 72110

Dear Mr. Hoelzeman:

This will authorize you to release my 1967 Ford Mustang to the Ford Motor Company for use in an auto show in Texas. It is my understanding that Jay Davis with the Ford Motor Company has arranged to have the automobile picked up and returned.

Sincerely,

A handwritten signature in black ink, reading "Bill Clinton". The signature is written in a cursive, flowing style with a long horizontal line extending from the end.

9/27
THE PRESIDENT HAS SEEN



Black Conservative
Hosts
Speak out
Marie Kaigler
Armstrong Williams
Page 7



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TALKERS

M · A · G · A · Z · I · N · E

SPECIAL NAB DOUBLE ISSUE

Issue 53

25 YEARS OF TALK RADIO HOSTING

SALUTE TO A TALK RADIO PIONEER

WSB, ATLANTA'S



NEAL BOORTZ

by Rhonda Felson

ATLANTA — (Neal Boortz began his talk radio career in November of 1969 as morning host at daytimer WRNG, Atlanta. He quickly made a big name for himself in the market as intelligent, outspoken, outrageous, opinionated and extremely unpredictable. Today, he is still going strong, hosting weekday mid-mornings continued on page 24



GARY BURNS is one of the driving forces behind the excitement being created at WWRG, Washington, DC. Burns, who recently brought his formidable experience to the operations manager's chair at the capital talker, has revamped the facility's programming line-up and is contemporizing its competitive position. Feature story on page 11.



THE PRESIDENT REACHES OUT to end the war of words between talk radio and his administration and to set the record straight on his opinion about the medium. TALKERS Magazine publisher Michael Harrison (1) met with President Clinton at the White House to conduct the exclusive interview which begins on page 6.

Early Fall 1994

Sabo Sez:

Why Talk Takes a While to Get Ratings

by Walter Sabo

NEW YORK — Talk takes awhile! When Ben Hoberman was president of ABC Radio, he switched WABC, New York from top 40 rock to talk. At the time, he "sold" his corporation on the fact that it would take 10 years for WABC to be a leader in ratings and profits in the market. He based that on how long it took for KABC and many others to build. He was right.

Why does talk take awhile and is there a way to speed it up?

Talk is not a format. Talk is programming that doesn't play music. A person likes a country song and they can hear that song in a thousand places and have a chance to become familiar with it. Then they hear that song on a station and the station does well. "Country works!"

Doesn't work that way with "talk." People generally don't respond just because someone is talking or delivering news. Each individual listener has to make a personal decision regarding each individual host. That requires multiple exposures to a person and the normal time it takes to get to know someone.

Chemistry. That's the first reason, each continued on page 10

INSIDE

DEVELOPMENTS

Interview Julio Iglesias

WOR Network Hits 300

Stevens & Grdnic Syndicate

ARS Absorbs WEEI

Renza Launches Affl. Firm

Latest Station/Network
Changes

POWER COLUMNS

BRUCE BELLINGHAM

TED BYRNE

ALAN COLMES

RHONDA FELSON

MARIE KAIGLER

JEFFREY J. MEYER

CAROL NASHE

RICHARD NEER

BOB NEWMAN

WALTER SABO

MIKE SIEGEL

SHEL SWARTZ

ARMSTRONG WILLIAMS

INDEX

LETTERS.....	3
TALK STREET.....	4
INTERVIEW.....	6
OPINIONS.....	7
NARTSH.....	22
SOURCES.....	30
SPORTS.....	31
CLASSIFIED.....	31
TALKERS TEN.....	32

Is Your Board Op. Stickin' It To You? Page 9

INTERVIEW

Chief Executive Reaches Out To Talk Radio

EXCLUSIVE TALKERS MAGAZINE INTERVIEW

PRESIDENT CLINTON



It is common knowledge that President Bill Clinton has been the recipient of record levels of criticism on talk radio since the President's number one standing on the talk radio bash list has been picked up and run with by other elements of the mass media, as well as the Chief Executive's political opposition, creating somewhat of an "Anti-Bill Clinton Media/Political Industry." The nastiness reached a head this past June when the President launched a verbal tirade in response to a hostile question about the D-Day stolen towel incident during a phone interview on KMOX, St. Louis. He blasted talk radio, Rush Limbaugh, and the so-called religious right for engaging in distortion and unfairness on the airwaves. These remarks were made the same week as the National Association of Radio Talk Show Hosts convention in Santa Monica becoming the buzz of the conference and generating a huge tidal wave of anti-Clinton talk show discussion, the largest and most vitriolic ever. True to the law of physics that for every action there is an opposite (although we are not sure yet whether it is equal) reaction, this latest chapter in the "Talk Radio Versus Bill Clinton War" has sparked a growing counter-movement of sympathy and support for the President among talk radio listeners, the mainstream media, and the general public adding fuel to the fires of those who have their own axes to grind against talk radio. Sensing this, the President extended TALKERS Magazine publisher Michael Harrison an invitation to The White House to interview him about his stormy relationship with the medium with the express purpose of mending fences and establishing a better level of understanding. The following is the text of that interview conducted with the President on August 24, 1994.

TALKERS: Mr. President, on behalf of talk radio, I thank you for making this time available to address our industry on several issues of concern to it. It's not easy to interview the President of the United States, since almost every legitimate question that can be asked already has been asked. So I am going to limit my questions within the time allotted to me specifically and exclusively to matters concerning the broadcasting industry.

PRESIDENT: I appreciate that.

TALKERS: Do you have any regrets about what has happened between you and talk radio and certain talk radio personalities since the KMOX incident in June?

PRESIDENT: What I really am concerned about in our country infects talk radio but it also infects television programs and it infects mainstream press coverage. And it effects, perhaps, the way people in public life talk to their constituents and talk about one another. And that is the tendency we

have to push the positions of people with whom we disagree to unrealistic extremes and to basically practice the politics of destruction instantaneously and all the time. Talk radio itself, however, is an entirely different thing. I think the fact that people have ways of calling programs and expressing themselves and trying to get information and particularly when public figures are on these shows asking them what they think and why — I think that's a very positive thing for democracy. It makes people feel closer to the action. And it has just as much potential to reduce public cynicism as it does to promote it. So, I do regret that. I think talk radio is like any other element of mass media. It's subject to distortion but it also can be a very positive and truthful medium. But in terms of some of the bad feelings that have resulted since June and the way my intentions have been, for the most part, misinterpreted, yes I do regret that.

TALKERS: I'm glad to hear you say that,

because many of the critics of talk radio have used this whole affair to fuel their own wars against talk radio criticizing talk radio for reasons that have absolutely nothing to do with what you've said. There seems to be a battle going on — on certain levels quite subtle and insidious — between the mainstream media — TV networks and daily newspapers — and talk radio. The mainstream media is trying to create the impression that talk radio plays fast and loose with the facts while they have a monopoly on the facts.

PRESIDENT: Obviously, because of the nature of talk radio, with a lot of people expressing their opinions in a spontaneous way, both callers and hosts, that sometimes the facts might not all come out right, but I wouldn't say that the mainstream media has a monopoly on the truth. They have their own issues to deal with in this regard. The main thing I would like to see in our country is more honest, forthright discussion of these issues that divide us and less election-type rhetorical extremes and attacks all day long, every day. I was really surprised and deeply disappointed to see that almost from the first day I got here there was this sort of running election attack operation.

TALKERS: Interestingly, this whole syndrome you describe seemed to work on your behalf during the campaign when you were the favored person. You were the one who gained by that. As the editor of the industry's trade publication, I get frustrated when I see people in the mainstream media, or even the President of the United States, portray the entire medium of talk radio as some kind of bastion of right wing conservatism. I see talk radio as far more of an independent American movement with which both the left or the right, Democrats or Republicans, can fall in or out of favor.

PRESIDENT: Just like anything else, some of the hosts have political positions that are more extreme than others. Most talk radio hosts, I find, are refreshingly iconoclastic. They're trying to find out what the meat of

"I think talk radio is like any other element of mass media. It's subject to distortion but it also can be a very positive and truthful medium. But in terms of some of the bad feelings that have resulted since June and the way my intentions have been, for the most part, misinterpreted, yes I do regret that."

the coconut is. They're trying to get to the bottom of things. They're trying to make judgements about people, events and issues. And they're trying to do this in a way that engages their listeners and gives them a chance to participate. And I think all this is pretty positive. As far as the campaign was concerned, I think it's fair to say

that with the press, generally, at first I was up. Then I was way, way down. And then I got up against (slight chuckle), you know, in the way they treated me. But what I'm referring to here is more than that. Ours is the first administration that has operated in an environment of almost continuous contentiousness and campaign-like rhetoric right from the opening bell, from people who disagree with us in both the political arena and the media. What I'm trying to do is to say that's all fine. I welcome these disagreements. And at the moment it seems to be helping them all politically. But it's bad for the country when we do it the way

"Most talk radio hosts, I find, are refreshingly iconoclastic."

we're doing now, which is essentially a lot of screaming matches. I would like to see a forum in which we can honestly discuss these matters. Instead of demonizing our opponents, we should listen to them. And it's bad when the political system places more of a premium on talk and posturing than it does in producing results. The American people are kind of results-oriented. They like to see us get things done.

TALKERS: You are sort of the first President in the real electronic age that's changing the way we all live so dramatically. The interactivity of this age, from a media standpoint, is causing trouble for the entire concept of representative government, not just the Presidency.

PRESIDENT: Well, then we've got to find a way to rescue it.

TALKERS: Well, not everybody thinks this is a bad thing. The public is now in on everything, so it has a much better grasp on how effectively and accurately it is being represented. There's a big national debate going on right now over whether the people should lay off and allow their representatives to represent them, or if the people should be involved in everything, expressing opinions and exerting pressure every step of the way. Take for example, the fourteen hundred pages of the various health care bills that are bouncing around Congress. You hear people asking on the radio, "Who read it?" "Did you read it?" "Did my Senator read it?" "Did my Congressman read it?" Perhaps not! "Then, should I be reading it?"

continued on page 13



TALKERS INTERVIEWS PRESIDENT CLINTON

continued from page 6

PRESIDENT: It's interesting. You see, that's a point I think I should have addressed more in the front because there are people who think that Bill Clinton's just got a big bill. We kept saying, "So, where's your bill?" So, every time someone else tried to

"Ours is the first administration that has operated in an environment of almost continuous contentiousness and campaign-like rhetoric right from the opening bell, from people who disagree with us in both the political arena and the media."

produce a bill, it turned out their bill was as long as mine. There were a lot of reasons for

that. And they have nothing to do with complexity. You can say, for example, that we ought to have certain insurance reforms. I can describe them to you in thirty seconds. When you write them into the law, it takes a couple of hundred pages to do it. So, perhaps, what I should have done in the beginning was explain to people that there's a difference between a fourteen hundred page law that's just a new idea on every page and therefore impossibly complicated and one that requires for all kinds of legal reasons a lot of excruciating detail in explanation. And it tickled me when I saw all the others coming forward and all their bills were hundreds and hundreds of pages long, too. It proved my point that we weren't being complicated just for the sake of complication.

TALKERS: In conclusion, there seems to be a lot of bad feeling among broadcasters that you did not include a broadcaster among your appointments to the United States Information Agency (USIA). Was this done on purpose or was it just an oversight?

PRESIDENT: I would say neither one. No decision was made not to put a broadcaster



White House radio director Richard Strauss setting assignments for communications department intern staff.

in. The appointments we made were of people who seem very interested in what need-

"Instead of demonizing our opponents, we should listen to them."

ed to be done with the USIA at this moment in history. There was no slight meant to the broadcasters. If it was anything it might have been an oversight, but it wasn't an oversight because we were not sensitive to broadcasters. It was basically a matter of picking people with a vision of where the USIA needed to go and to move toward the twenty first century.

300 RADIO STATIONS CAN'T BE WRONG!

INDEPENDENT BROADCASTERS
NETWORK

813-573-4402

NO FEES. NO HASSLES. NO PAPERWORK. JUST TERRIFIC,
LIVE, 2-WAY TALK SHOWS, SEVEN DAYS A WEEK, 24 HOURS
A DAY, FED TO YOUR STATION ON 3 SATELLITES.

PICK AND CHOOSE ONLY THE PROGRAMS YOU WANT TO BROADCAST...

Eastern Time	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Eastern Time
5 AM	Larry Marino Good Day USA (News, Features, Interviews, Sports, Weather)	Larry Marino Good Day USA (News, Features, Interviews, Sports, Weather)	Larry Marino Good Day USA (News, Features, Interviews, Sports, Weather)	Larry Marino Good Day USA (News, Features, Interviews, Sports, Weather)	Larry Marino Good Day USA (News, Features, Interviews, Sports, Weather)	Real Estate Action Line/Sonny Bloch	Animal Talk Paul Howard	5 AM
6 AM						Sonny Bloch Show	Woman To Woman	6 AM
7 AM						Jeff Keller Mr. Handyman	Stan DeFreitas Mr. Greenthumb	7 AM
8 AM	Here's To Your Health Deb. Ray - Dr. Carrow	Here's To Your Health Deb. Ray-Dr. Carrow	Here's To Your Health Deb. Ray - Dr. Carrow	Here's To Your Health Deb. Ray - Dr. Carrow	Here's To Your Health Deb. Ray - Dr. Carrow			8 AM
9 AM						Jeff Brooks On The Road	Sonny Bloch's Real Estate Action Line	9 AM
10AM	National Open Forum	National Open Forum	National Open Forum	National Open Forum	National Open Forum			10AM
11AM	Him & Her Greg Allen & Fran Gail	Him & Her Greg Allen & Fran Gail	Him & Her Greg Allen & Fran Gail	Him & Her Greg Allen & Fran Gail	Him & Her Greg Allen & Fran Gail			11AM
12PM						Voice Of Wellness Robert Crayhon	Collector's Corner Jack DeAngels	12PM
1 PM						Health & Humor Dr. London Smith	Here's To Your Health D. Ray/D. Carrow	1 PM
2 PM	Open Forum	Open Forum	Open Forum	Open Forum	Open Forum	Animal Talk Howard Bloch	The Travel show	2 PM
3 PM						National Soap Shop	Ask Chef Miles	3 PM
4 PM	Sonny Bloch Today's Bus Journ	Sonny Bloch Today's Bus Journ	Sonny Bloch Today's Bus Journ	Sonny Bloch Today's Bus Journ	Sonny Bloch Today's Bus Journ	The Shooting Bench Cot/Waker	Dr. Bruce Hedendal Live	4 PM
5 PM	The Sonny Bloch Show	The Sonny Bloch Show	The Sonny Bloch Show	The Sonny Bloch Show	The Sonny Bloch Show	Better Living Through Astrology	Dr. Susan Block	5 PM
6 PM	Sonny Bloch Today's Bus Journ	Sonny Bloch Today's Bus Journ	Sonny Bloch Today's Bus Journ	Sonny Bloch Today's Bus Journ	Sonny Bloch Today's Bus Journ		Timeless Voyager Radio	6 PM
7 PM	Here's To Your Health	Here's To Your Health	Here's To Your Health	Here's To Your Health	Here's To Your Health	The Opportunity Show	Sonny Bloch Show	7 PM
8 PM	David Paul Off The Wall	David Paul Off The Wall	David Paul Off The Wall	David Paul Off The Wall	David Paul Off The Wall			8 PM
9 PM								9 PM
10PM								10PM
11PM								11PM
12AM								12AM
1 AM								1 AM
2 AM	Rick Gaidis Talk America (The Original)	Rick Gaidis Talk America (The Original)	Rick Gaidis Talk America (The Original)	Rick Gaidis Talk America (The Original)	Rick Gaidis Talk America (The Original)			2 AM
3 AM								3 AM
4 AM								4 AM

9/27
THE PRESIDENT HAS SEEN

THE WHITE HOUSE
WASHINGTON

15C
225-3147

New York

Designated someone
to work w/ Fungwa, David
Morton a part

See As - bail - number

September 22, 1994

RECOMMENDED TELEPHONE CALL

cleaned up - eg Asin
Two letters, Asin, pro

TO: Chairman John Dingell

DATE: As soon as possible

RECOMMENDED BY: Patrick J. Griffin

PURPOSE: To ask the Chairman to agree to drop the Manton amendment which is now part of the House-passed version of the National Competitive Act (H.R. 820/S. 4)

BACKGROUND: Wednesday, you had a conversation with Senator Rockefeller about calling Chairman Dingell to discuss the Manton amendment, which is preventing House and Senate conference agreement on the National Competitiveness Act.

The Act implements your technology and economic growth initiative by creating a national manufacturing program; increasing the Advanced Technology Program to support industry-led development of critical technologies; and authorizing key National Information Infrastructure demonstration projects. The Act helps provide the level and scope of technology infrastructure that U.S. industry needs to generate sales and hence create jobs in advanced technologies and beat our competitors in the global marketplace.

The Manton amendment, which has been promoted by Dingell, is an addition to the House version of the National Competitiveness Act that would require any company seeking to participate in programs authorized under the bill first to obtain certification by the Commerce Department that it is a "U.S. Company" or "U.S. Manufacturer" as stringently defined by the Act. For any company to

be eligible Commerce would have to find that it: maintains substantial employment in the U.S.; promises to manufacture in the U.S. any technology developed with assistance from the Act; will procure parts and material from U.S. suppliers. In the case of a U.S. subsidiary of a foreign company, the Department must find that the country of the parent company meets several reciprocity criteria concerning that country's standard setting and intellectual property practices, as well as U.S. companies' access to government-sponsored R&D.

Industry and the Administration strongly oppose this amendment, which would hinder the participation of a wide range of U.S.- based companies in technology, manufacturing, and NII programs authorized in the bill. This would damage your technology initiative, without providing any real trade leverage. Both industry and the Administration support the Senate approach that requires that the Department ensure that the principal economic benefits of the Advanced Technology Program accrue to the U.S. economy.

The Senate has rejected Chairman Dingell's compromise offer because it merely recasts the Manton amendment as a series of reporting requirements and maintains the ban on participation of any company of a country that fails to meet the Manton amendment's standards requirements. This does not go far enough for the Administration or industry.

TOPICS OF DISCUSSION:

1. Passage of the National Competitiveness Act is an important part of your agenda for economic growth and creating jobs. It delivers on your promise to build a national network of manufacturing centers to help small companies to compete in the tough global economy.

2. While the Chairman's efforts to work out a compromise on the Manton language is greatly appreciated, the issue still has not been resolved. We are now faced with very little time to get this bill passed.
3. It is highly likely that Senate Republicans will filibuster any conference report that contains a Manton-like provision, including Dingell's latest compromise offer.
4. You are initiating a rigorous internal review process led by the NEC/CEA to inventory technology-related market access problems. This process will determine the best ground rules for participation in all our technology programs.

CONTACT PERSON AND
TELEPHONE NUMBER(S):

White House Operator

DATE OF SUBMISSION:

September 23, 1994

ACTION: _____

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: September 26, 1994

94 SEP 27 A 8:58

Date of Request: 9/01/1994
Request for: POTUS
Type of Request: Honorary Chairman
Requestor Name: Mr. I. King Jordan
Title: President
Organization: The Deaf and Hard of Hearing Entrepreneurs
Council (DHHEC)
c/o Gallaudet University
Kendall Green
800 Florida Avenue, N.E.
Washington, D.C. 20002-3695
Contact Tel. #: 202/651-5005
Event Date: 11/05/1994
Event Description: The Annual Fund-Raising Gala
Notes: The Council is an advocate for hearing
impaired entrepreneurs in the business
community. Although many of the Council's
members are alumni of Gallaudet, the group is
not officially affiliated with the
university. Proceeds from this event will go
towards training for both deaf entrepreneurs
and members of the hearing community.

Recommendations:

JP

PL

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: September 22, 1994

94 SEP 27 A 8:58

Date of Request: 9/19/1994
Request for: POTUS/FLOTUS
Type of Request: Honorary Committee Member
Requestor Name: S. Laura Herold
Title: Director
Organization: Tabor House
67 Brownell Avenue
Hartford, Connecticut 06106
Contact Tel. #: 203-244-3876
Event Date: 12/4/1994
Event Description: A Musical Tribute to Tabor House by the
Manchester Symphony Chorale
Notes: Tabor House is a residence in Hartford for
homeless persons living with AIDS. All the
proceeds from the event will go directly back
into the residence. They would like a
response by 10/7/94.

Recommendations:

MW _____

JP _____

PL _____

9/26 To

Sylvia Matthews

from T. Slevin



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

SECRETARY OF THE TREASURY

September 26, 1994

94 SEP 26 All : 06

MEMORANDUM FOR THE PRESIDENT

FROM: LLOYD BENTSEN

SUBJECT: Russian Economic Reform and the Washington Summit --
Building Economic Partnership

Introduction

Your Summit meeting with President Yeltsin will focus on the theme of a pragmatic partnership between Russia and the United States that pays. On the economic side, this theme will find expression in the emphasis on our two countries' desire to forge a strong trade and investment partnership between our private sectors. But we must recognize that this partnership will require time to mature. In particular, the results produced for both partners will hinge on Russia's success in continuing down the path of reform.

The Washington Summit offers a good opportunity to build this partnership. We should stress to President Yeltsin that a private sector trade and investment relationship must be built on three pillars -- stable macroeconomic conditions, a sound tax system and market institutions, and direct bilateral support for U.S. exports and investments. You should use the Summit as an opportunity to commit our partnership to strengthening these three pillars.

The Summit Message

Russia must intensify its reforms and offer its people a vision of a U.S.- Russian partnership based on trade and investment between our private sectors. This message has several components.

1. **Russian reform is verging on success, but drift is setting in. Russia should seize the moment and put in place a bold economic reform program in 1995.**

Russia has come far in building a market economy. But the gains are not yet secure, depriving Russia of the true benefits of stability. With continuing high inflation, a turnaround in growth and jobs will be delayed and businessmen will protect themselves against inflation rather than make sound investments.

Russia now faces key decisions on its 1995 economic program. Will the anti-inflation policy be maintained? Will meaningful tax reform go forward? Will enterprises be subjected to market disciplines? The answers will set Russia's reform course and determine whether it will secure large-scale multilateral financial support that remains undrawn.

We need to tell Yeltsin that: there are real benefits to be gained from an intensified stabilization effort; real stabilization is attainable; and Western support can play a key role. Reports suggest Russia is aiming at a 1995 budget deficit of 5% of GDP (implying spending cuts of 3% of GDP). This gap can be covered without inflationary money printing -- Western support from the IMF and World Bank could provide financing of 3% of GDP; Russia now sells a small amount of bonds which could be increased by 2% of GDP.

2. Tax reform is a key example of the need for institutional and structural reform.

We would especially like to help Russia reform its tax system and offer Yeltsin concerted multilateral technical assistance for this purpose. This effort could pool G-7, World Bank and IMF experts.

Reform of the Russian tax system is essential. This year, Russia is collecting only 65% of planned revenues, jeopardizing stabilization. Collapsing state firms are unable to pay taxes. Onerous and arbitrary taxation drives the private sector toward massive tax evasion. Tax administration is weak and competition for tax revenues between federal, state and local governments is intense.

This is but one key example highlighting that Russia is not rapidly creating an institutional climate that rewards private sector activity. The lack of a body of contract law that respects private property hampers expansion of the new private sector and foreign investment.

3. There is substantial Western support available for a genuine, intensified reform effort.

While increased multilateral support has flowed to Russia this year, much more is available to help make reform achievable.

- o The Naples Summit endorsed a U.S.-led initiative to expand IMF support to transforming countries. We expect agreement on this package by the IMF/World Bank Annual Meetings in Madrid in early October. Russia's access could increase by \$5 billion, on top of large scale support already planned under a full IMF program, including: \$4 billion in IMF standby support; a deep, multi-year G-7 debt rescheduling; and the \$6 billion currency stabilization fund if Russia anchors the ruble.
- o The West wants to work with Russia to help build a system of social protection. The World Bank has several loans in its pipeline, totalling well above \$1 billion. But this funding is going untapped due to a lack of Russian interest.

4. **Direct support for exports will promote trade and investment, but is no substitute for real private sector activity.**

We need to remind Yeltsin that we can only go so far in supporting exports to Russia given our budget constraint and that we only see a transitional role for government in supporting exports. Russia will also be helped substantially by working more closely with the G-7 to implement the \$3 billion SPRP. Our private sector is prepared to invest massively in Russia when a more attractive environment for foreign direct investment emerges. Russia can make an important start by putting the U.S.-Russian income tax treaty back on track and our banks on the same footing as European banks.

The Economic Scene in Moscow

The rest of this memorandum provides background for the Summit.

Intensified Macroeconomic Stabilization

Prime Minister Chernomyrdin has kept Russia moving forward in a reformist direction this year, while the major changes made in 1992-93 are beginning to produce clear, positive results. Let me cite seven points illustrating why Russia is moving along well.

- o One, Russia's privatization program has been a huge success. Russian data show that nearly 70% of firms are now in private hands. Private sector activity now generates some two-thirds of retail activity.
- o Two, inflation averaged 20% monthly in 1993. But it has been in single digits since February and was 5% in July and August.
- o Three, fiscal policies are more disciplined. The budget deficit as a share of GDP was cut from 18% in 1992 to 8% in 1993. This year, a similar outcome is expected, and Russia is further slashing spending in the face of plummeting revenues.
- o Fourth, money growth has been curbed. Russia has real positive interest rates. Falling inflation has allowed the central bank to cut nominal interest rates from 17-1/2% to 10-3/4% monthly.
- o Fifth, real personal income is way up -- 30% since you met President Yeltsin in Vancouver -- boosted by the growth of the private sector and moonlighting.
- o Sixth, the share of people living below subsistence has fallen from one-third last year to one-sixth this year.
- o Seventh, because Russia freed prices in 1992, there is now consumer choice -- high-quality goods are widely available and long queues are a thing of the past.

Because of these positive developments, Russia's 1994 economic program earned IMF support under the \$1.5 billion systemic loan negotiated earlier this year. The World Bank approved \$1.5 billion in project loans ahead of the Naples Summit. The G-7 policy of intensified engagement, which you spearheaded, contributed significantly to these positive developments.

But these gains are not secure, as evidenced by the recent nose dive in the ruble and Russia's foreign exchange reserves. With reforms beginning to bite hard, there has been some relaxation of financial policies. Why? First, tax revenues are only 65 percent of the total budgeted, leading Russia to undertake extreme, discretionary sequestration to sustain its stabilization effort. Second, financial difficulties in state enterprises are giving rise to demands for bailouts and relief from inter-enterprise arrears.

This situation will once again test the vision and determination of President Yeltsin and Prime Minister Chernomyrdin. Will Russia succumb to these pressures and lose the hard-won gains of 1994? Or will Russia press on with stabilization, and force enterprises to adjust to the rigors of the marketplace? The outcome of this struggle will be perhaps the greatest single determinant of the climate for trade and investment in the coming years.

Modern market institutions

Trade and investment also require a stable institutional environment that encompasses modern tax, legal, and financial systems as well as widespread private ownership.

The most striking progress has been in privatization. Privatization completed its first highly successful phase, embracing 70% of enterprises. Phase Two, mainly cash sales of remaining state holdings in large enterprises, has started under a Yeltsin decree.

But the economic return from privatization will take time to materialize. Enterprise restructuring is off to a slow start, partly due to half-hearted government commitment to enforce financial discipline on enterprises. There is seemingly little appetite for enforcing bankruptcy. There has been little follow-through in reknitting the social safety net, either in developing a strategy, designating a counterpart, or seeking Western support.

Moreover, the institutional environment remains weak. A commercial code that respects private property rights has yet to emerge. Taxation is punitive and arbitrary, leaving private firms little choice but to evade taxes. The MMM stock scandal highlighted the lack of regulation.

Direct Support for Trade and Investment

As you know, we will announce at the Summit a \$100 million increase in U.S. direct assistance for exports to Russia under OPIC and TDA. Eximbank has already extended \$1 billion in guarantees to Russia. This is helping to spur U.S. exports and create jobs at home.

The \$3 billion Special Privatization and Restructuring Program (SPRP) which you launched at the Tokyo Summit is moving into the implementation phase. Our \$100 million Fund for Large Enterprises in Russia is up and running. The EBRD is creating ten regional funds, \$50 million each, with G-7 countries. This should help provide a large infusion of equity and know-how.

But U.S. exports to Russia are small at \$3 billion yearly and total foreign investment, \$2-3/4 billion, is far below Russia's potential. Businesses are eager to enter Russia, but are deterred by a poor business environment, even where projects seem profitable. They are prepared to export when western governments assume their risks. Yet, this is not a solid basis for a private sector partnership.

Russian policy itself is a big part of the problem. The decision earlier this year to impose a punitive excess wage tax violated the spirit of the U.S.-Russian income tax treaty and denied our firms its benefits. The decision to allow several European banks to service Russian clients, while denying Chase Manhattan similar rights, was discriminatory. While both issues are being resolved, they have harmed U.S. firms' perception of the investment climate.

ANNEXES

Annex I

Last year at Tokyo, the G-7 endorsed a \$43 billion package of multilateral support, conditioned on Russia undertaking necessary reforms. This support has flowed more quickly this year, as Russia stepped up its reform progress. The table at Annex I reviews progress under the Tokyo package, and shows that \$29 billion of the support has been approved.

Annex 2

In January when you met President Yeltsin in Moscow, you highlighted five initiatives we could take to help accelerate the pace of Russian reform and Western support. We have delivered on each initiative.

Attachments

MULTILATERAL SUPPORT FOR RUSSIAN ECONOMIC REFORM

At an April 1993 Tokyo conference, G-7 Foreign and Finance Ministers announced a support program for Russia to provide up to \$43.4 billion. This extraordinary initiative reflected the critical importance to world peace of Russia's successful transition to a democratic market economy and Russia's special needs during this unique transition process.

The G-7 stands by its commitment to provide the full amount of support agreed upon at Tokyo. Of this total, about \$29 billion has already been approved to support structural reform and initial efforts toward sound macroeconomic policies, and for debt rescheduling. The remainder of our support has not yet been activated because Russia has not yet made adequate progress in implementing a full stabilization program.

The report below provides an update on the status of the four parts of the Tokyo package (amounts are in billions of dollars) and on other G-7 support initiatives.

<u>MULTILATERAL SUPPORT PROGRAM</u>	<u>AMOUNT</u>	<u>APPROVED</u>
I. <u>Support for Initial Stabilization</u>	\$4.1	\$3.5

In 1993, the IMF created the Systemic Transformation Facility (STF) to support initial stabilization. Russia has drawn \$3 billion under the STF in two equal tranches, in June 1993 and April 1994.

The World Bank also agreed to provide up to \$1.1 billion in initial stabilization support through critical import loans. The Bank has disbursed almost all of the remaining \$500 million under a \$600 million critical import loan made in 1992 and a second loan of \$600 million is expected to be approved this fall.

II. <u>Support for Full Stabilization</u>	\$10.1	\$0
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The G-7 envisaged that Russia would move from initial stabilization supported by the STF toward full economic stabilization with the support of an IMF (standby) loan of up to \$4.1 billion. Discussions between the IMF and Russia on a program that can be supported by an IMF standby loan are expected to begin in the second half of 1994.

The G-7 also agreed to create a \$6 billion currency stabilization fund to support the ruble, once Russia has implemented a rigorous standby program for several months.

III. <u>Support for Structural Reforms</u>	\$14.2	\$10.6
--	--------	--------

Structural support for Russia is needed to help privatize industry, build market institutions and infrastructure, and develop sectors such as energy and agriculture. It can proceed apart from the pace of stabilization support.

The World Bank agreed to provide up to \$3.4 billion in loans to support restructuring. Of this total \$2.3 billion has now been approved, including loans to support oil sector restructuring, highway rehabilitation, financial institution development, and privatization. The EBRD also approved \$250 million in co-financing for a World Bank oil sector loan.

Under the \$300 million Small and Medium Enterprise Fund (SME) initiative, the G-7 and the EBRD will each provide \$150 million to finance small emerging entrepreneurs. A pilot project is currently underway and will be reviewed as the basis for the entire project.

The G-7 agreed that their export credit agencies (ECAs) could provide \$10 billion to finance needed capital imports. Over \$5 billion in ECA assistance was granted in 1993 and the G-7 is prepared to offer a similar amount in 1994. The United States has approved close to \$900 million in Eximbank guarantees and will provide up to \$2 billion under our oil and gas framework agreement.

<u>IV. Official Debt Rescheduling</u>	\$15	\$15
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In April 1993, Paris Club countries rescheduled roughly \$15 billion of official principal and interest payments due in 1993. The United States rescheduled \$1.1 billion. (In June of this year the Paris Club countries concluded a new rescheduling agreement with Russia for debt due in 1994, which offers more favorable terms than last year's rescheduling.)

TOTAL MULTILATERAL SUPPORT	\$43.4	\$29.1
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Special Privatization and Restructuring Program (SPRP)

Responding to a U.S. proposal, G-7 Heads of State, the World Bank, IFC, and EBRD agreed in Tokyo to create the SPRP, to assist in restructuring large firms. The SPRP will provide up to \$3 billion in equity, loans and ECA support for enterprise restructuring. A network of up to ten regional venture funds is being established to make investments in Russian firms.

The United States contributed \$100 million in grant support under the SPRP to create the Fund for Large Enterprise Restructuring (FLER). The FLER is now up and running under former Treasury Secretary Michael Blumenthal, and will provide equity and loans to newly privatized Russian firms. The United States also pledged \$250 million in ECA support under the SPRP.

Support Implementation Group (SIG)

At the Vancouver Summit, Presidents Clinton and Yeltsin agreed to explore creation of a body to coordinate external assistance for Russian reform. The United States took the lead in creating the SIG, which was endorsed by the G-7 in Tokyo and initiated its activities on September 1 of last year in Moscow.

STATUS REPORT ON THE FIVE INITIATIVES
PRESIDENT PROPOSED TO PRESIDENT VELTSIN IN JANUARY

In January, President Clinton proposed five initiatives to President Yeltsin to accelerate the pace of Russian reform and Western support. Below is a status report on these initiatives.

1. Intensified engagement by G-7 Finance Ministries has moved the IMF and World Bank to deepen their support for Russian reform. Efforts by the IMF and World Bank to support Russian reform were flagging last year. Responding to direction from the G-7, both institutions have revitalized their programs this year. IMF Managing Director Camdessus traveled to Russia in March and worked personally with Prime Minister Chernomyrdin to get agreement on a new \$1.5 billion IMF loan. The World Bank completed a \$1.5 billion pipeline of projects by July and plans a substantial increase in its fiscal year 1995 lending.

2. Efforts are underway to mobilize further multilateral financing. We are urging the IMF and Russia to work together on a 1995 economic program that can be supported by a new \$4 billion IMF loan this autumn. The G-7 is prepared to finance a \$6 billion fund to stabilize the ruble as part of an overall economic stabilization effort. We have also secured agreement of other Paris Club creditors to consider a comprehensive multi-year rescheduling of official debt when Russia and the IMF agree on a 1995 program.

3. IMF resources available for Russia and other ex-Soviet states will soon be expanded. Former Soviet countries face unprecedented challenges as they strive to build democratic market economies while reknitting their social safety nets and maintaining public support for reform. At our urging, the G-7 countries have agreed that the IMF should raise the amount of support available to these countries. Work on this initiative is well-advanced and we expect the results to be announced in early October at the Annual Meetings of the IMF and World Bank.

- o By increasing the amounts the IMF can lend under traditional programs, Russia could draw \$1.4 billion more annually.
- o Russia has drawn \$3.0 billion from the IMF's special systemic facility. By extending this facility, Russia will be eligible for further borrowing of more than \$2 billion.
- o The IMF could distribute a special reserve asset to former Soviet countries, which could provide Russia with close to \$1.5 billion.

4. Support for Russia's social infrastructure is being expanded under a number of initiatives. The World Bank recently approved a \$1.5 billion pipeline of projects, including loans to maintain highways (\$300 million), rehabilitate the oil sector (\$500 million), develop financial sector infrastructure (\$200 million), and advance agricultural reform (\$240 million).

The \$3 billion Special Privatization and Restructuring Program is building a network of equity funds to help restructure large privatized firms. This may include a \$500 million World Bank loan to help transfer social services from firms to the public sector.

The Bank is considering other social loans, including \$400 million for housing and \$150 million to support renovation of clinics, schools, and day care centers at the local level. It is also planning a program to transfer operation of kindergartens from enterprises to local governments.

5. The G-7 rescheduled Russia's official debt due in 1994 on very favorable terms. In June the G-7 concluded a rescheduling that gives Russia more favorable terms than last year, requiring only \$3 billion in payments to official creditors this year. Unlike last year, the agreement was reached quickly, to the satisfaction of all parties.

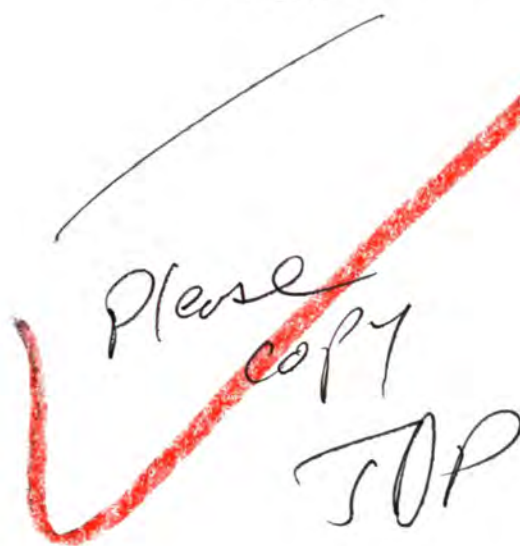
E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

25-Sep-1994 12:49pm

TO: John Podesta
FROM: R. Paul Richard
 Office of the Staff Secretary

SUBJECT: Haiti Mail

I think we should make sure Dee Dee and Mark are aware of this.



A handwritten signature, possibly "JOP", is written in black ink. A large, thick red checkmark is drawn over the signature. The words "Please copy" are written in black cursive script across the middle of the red checkmark.

Please
copy
JOP

EXECUTIVE OFFICE OF THE PRESIDENT

22-Sep-1994 03:51pm

TO: Jonathan P. Gill
FROM: Stephen K. Horn
Presidential Correspondence

SUBJECT: Here's the breakdown on the mail re: Haiti

Here's a copy of the memo I sent to Jim Dorskind. FYI. What a ride!

Steve Horn
Director
Presidential Email

TO: James A. Dorskind
TO: Jennifer McCarthy
FROM: Stephen K. Horn
Presidential Correspondence

SUBJECT: Email Volume through the roof!

We have certainly set a new record for volume of email over the past week. It seems that Haiti tapped a wellspring of opinion out there.

We received over 15,000 messages in four days following the President's speech to the nation about Haiti. It breaks down as follows:

Thursday, Sept. 15 (day of President's speech)	4,919 messages received		
Friday, Sept. 16	6,093	"	"
Saturday, Sept. 17	2,241	"	"
Sunday, Sept. 18	2,120	"	"
Total	15,373	"	"

Previously, the record for a day's intake of email messages was 1524. As you can see, even Sunday's mail shattered that record. Also, in the past, a major speech or press conference meant a spike in the mail, usually doubling the normal intake for the day. Again a record shattered - Friday's mail brought a spike of about 8 times the average day's mail.

Analysis of the mail -

On the subject of Haiti, the mail, over the four days cited above, ran two to one against an invasion of Haiti by American troops.

Not surprisingly, the mail from Monday and Tuesday of this week (about 1000 messages each day) was solidly behind the President's solution to avoiding an invasion. By a margin of ten to one, the writers were in favor of the resolution and sent congratulations and thanks to the President.

Stephen K. Horn
Director
Presidential Email

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

24-Sep-1994 07:10pm

TO: (See Below)

FROM: Jonathan P. Gill
 Office of Media Affairs

SUBJECT: FYI: POTUS email on Haiti. NOT for release

Distribution:

TO: David B. Anderson
TO: Elizabeth A. Bernstein
TO: Keith O. Boykin
TO: C. Patricia Cogdell
TO: Amanda Crumley
TO: Carolyn Curiel
TO: David Dreyer
TO: Ernest D. Gibble
TO: Jonathan P. Gill
TO: Lisa Mortman
TO: Rica F. Rodman
TO: Jess Sarmiento
TO: Laura D. Schwartz
TO: Joshua N. Silverman
TO: Richard Strauss

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

24-Sep-1994 07:18pm

TO: R. Paul Richard

FROM: Jonathan P. Gill
 Office of Media Affairs

SUBJECT: You need to think who else should know this. THnx, Jock

The Twentieth Century Fund

41 East 70th Street
New York, N.Y. 10021

(212) 535-4441

Richard C. Leone, *President*

September 12, 1994

The Vice President
The White House
1600 Pennsylvania Avenue, NW
Washington, D.C. 20500

Dear Mr. Vice President:

This year, the Twentieth Century Fund celebrates its 75th anniversary of active involvement in the fight for progressive policies at home and abroad. It is my pleasure to invite you to address a banquet celebrating this milestone on Thursday evening, November 17, at the Pierre Hotel in New York City.

When the Fund was endowed in 1919, its creator was something of a maverick. Edward A. Filene was a successful businessman with great wealth, yet he championed the rights of working people and fought for conditions that would provide them with a better life. Mr. Filene believed firmly that a responsive government could, and should, play an activist role in American life. Over the years, trustees like Roscoe Pond, Adolf A. Berle, William A. White, Robert M. La Follette, Paul H. Douglas, David E. Lilienthal, and Vernon Jordan have guided the Fund in the development of important studies, books, reports, and activities on behalf of progressive causes. In more recent years, current trustees like Arthur Schlesinger Jr., Jim Tobin, Ted Sorensen, Matina Horner, and Shirley Williams have continued in the tradition of their predecessors.

We feel as you do, that after years of conservative control of the national debate, it is time for progressivism to renew itself and reassert its beliefs. As a new century nears, we readily accept the burden of justifying active government and seeking progressive solutions to vexing domestic and international problems.

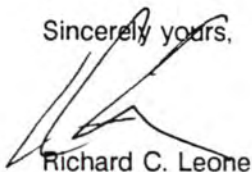
Our dinner will bring together authors of previous and current Fund publications, men and women who have served on our task forces, media people, and others associated with our activities over the past several decades. We anticipate an audience of 350 to 400.

Given the views that you and the Clinton administration represent, we feel you would be a tremendous speaker for our event, and that it would provide you with a large, sympathetic, New York audience for your thoughts on the future of progressivism.

We hope that you can honor us with your presence.

Regards.

Sincerely yours,



Richard C. Leone

JACK Quinn —
Dick's been very helpful
to us. I'd strongly
recommend a yes
if possible.
John Podesta

THE WHITE HOUSE
WASHINGTON

Chro

DATE: 9/24/94



TO: Vicki Raad

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

FYI



④ has not
seen.
(per Betty)

send to
~~Lee Ann~~
Jicki MOD

UNITED STATES SENATE
WASHINGTON, D. C. 20510

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

HAND DELIVERED





UNITED STATES SENATE
WASHINGTON, D. C.

9.13.94

Dear Mr. President

I have never asked you for a personal favor before this letter. I haven't because I know of your extraordinary work load & immense array of critical responsibilities.

Evan Wallack is one of several names being suggested to you for the Court of International Trade. Evan is my friend. He has written speeches for me, ~~done~~^{done} legal research, opponent research & taken care of my family in my absence. He has helped me for many years.

His qualifications are superior to the other names you will be given. Not only has he been educated at the U of Mary & U of Calif,

he also received a graduate degree at
Cambridge. He left a very lucrative
law practice for one year to help
me set up my senatorial office
here in Washington.

Vice President Gore knows
Evan personally, as he was the
chairman of his presidential
campaign in Nevada. By the way,
Nevada is the only Western state
V. P. Gore carried the year he ran
for president.

Evan is again wanting to
be a public servant. I ~~am~~ am
hopeful you will give him this
opportunity.

Sincerely,

Mary

THE WHITE HOUSE

WASHINGTON

9/24/94

Doug:

John Podesta would like you to
give this to Tony Coelho at your
next opportunity.

Thanks.

Shelley Walker

THE WHITE HOUSE
WASHINGTON


DATE: 9/24/94

NOTE FOR: Tony Coelho

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:

Bancy -

from HRC
to POTUS

to lower
Bancy.

am

OPINION

THE PRESIDENT HAS SEEN

9/22/94

CC POTUS, Pat Griffin

H. Icker

09/12/94

04:33

03172862991

JOHN KOUNOULIDES

0004



BRIAN HOWEY
Political Columnist

Hamilton lowers the truth on Demos

FRENCH LICK - Prior to his speech, U.S. Rep. Lee Hamilton indicated that he wasn't sure what he was going to talk about.

The scene was the Indiana Democratic Editorial Association convention at the wonderfully renovated French Lick Springs Resort late last month. The dinner crowd was small, but Hamilton injected it with a feeling of urgency when he strode into the ballroom about 8 that Saturday night. Twelve hours after he was to leave, he would be appearing on NBC's "Meet the Press" urging President Clinton to make a definitive statement on Cuba, and to accept incremental health care reforms.

At dinner, sitting with Democrats like Howard County chairman D.J. Bollinger and House Majority Leader John Gregg of Sanborn, Hamilton peppered them with questions. What do Hoosiers think of Hillary Clinton? What were the perceptions of President Clinton? What about health care reform?

The normally talkative and jovial Gregg canned his laudatory opener for the chairman of the House Foreign Affairs committee and the tall Congressman Hamilton walked to the podium for what was to be an extempo-

aneous speech.

It was nothing less than a watershed event - a state of Hoosier politics - laced with candor and emotion. It was a castigation of Democrats who had abandoned their president and a stinging rebuke of political consultants who are taking over the party and destroying the art of consensus.

"You know what I worry about a little bit?" Hamilton said with a pained expression. "The role of the political consultant. I rarely find a political consultant who does not believe that he or she knows more than the candidate does."

"And let me tell you something, political consultants are replacing political parties," Hamilton said. "I think one of the big things in American politics is the decline of the political party. Now, let's be candid among ourselves this evening. John (Gregg) and I were talking a while ago and we can remember when the IDEA convention had 600 Democrats in this room."

"What's happened here?" Hamilton asked. "What's happened? We really need to think about that. I don't have any doubt at all that it's one of the reasons why we have so much trouble in the Congress of the United States in getting a consensus behind the solutions, because the political parties play such an important role in developing consensus in this country. We don't have that mechanism anymore."

In an age of candidate-driven - as

opposed to party-driven campaigns, Hamilton described the Hoosier voter today as volatile, anti-government, anti-elitist, and pragmatic. "It's very, very strong," he began.

"It's as strong as I've ever seen in Indiana politics. Sometimes when I'm standing at a public meeting, I feel a curtain drop between me and the people I'm talking to. I'm a politician and, therefore, they say, my word cannot be trusted."

And that gets Hamilton into the realm of local Democrats, and the presidential element. The people "understand one thing," Hamilton said. "They know Bill Clinton is a Democrat. And they know the Congress of the United States is controlled by Democrats. They expect us to be accountable. They want us to act. And the pressure is on us. And that's what the '94 election is all about."

Hamilton cited a litany of successes Clinton has had. His 1994 budget was called a job-killer that would put the economy in the gutter. The economy is booming. There are lower deficits, which befuddled Reagan and Bush. "The president said to me," Hamilton related, "Why aren't I getting more credit for this?"

Hamilton then recounted a state party meeting in Indianapolis: "There were a whole bunch of speakers. I was about No. 10. The first speaker got up and never mentioned a word about Bill Clinton and Al Gore. The second speak-

er got up and never mentioned a word about Bill Clinton and Al Gore...

Hamilton said that after the third speaker, "I began keeping track. Nine speakers of a Democratic gathering - of the best Democrats across the state of Indiana - nine speakers in a row and not one of them said anything about Bill Clinton and Al Gore."

"And then I got up, and I was just mad - just plain mad," Hamilton said. "And so I spoke up. 'All politics is local,' Tip O'Neil used to say, but I'll tell you something else. All politics is presidential. Don't think, my friends, that Lee Hamilton or anyone on this state ticket, or anyone running for Congress can run away from the president of the United States. You can't do it and we ought not to try."

Hamilton looked pained. "Oh my," he said softly toward the end of his speech. "It's time to go."

He talked of going to Democratic functions and observed, "Why don't I get a sense of enthusiasm about the party?"

He parted with some of the most memorable lines from some of the greatest Democrats - from Jefferson, to FDR, to JFK, to Clinton.

Of course, there was one from President Harry S. Truman, which Hamilton quoted, "I never give them hell," he said. "I just give them the truth and they think it's hell."

Brian Howe is a political columnist based in Fort Wayne.

THE WHITE HOUSE

Patrick J. Griffin

9/23

94 SEP 23 P4: 27

John -

What are
your thoughts
on this?

Pat

I was interested
you weren't going
so I invited
Dreyer. Now scheduled
for right after

Thanksgiving
I think you should
go & we
should expand
list.



**LAWYERS
ALLIANCE
for
WORLD
SECURITY**

LAWMAKING FOR DEMOCRACY PROJECT
ANTHONY P. SAGER, DIRECTOR

94 AUG 12 10:30

107 Washington Avenue
Cambridge, MA 02140
Tel. (617) 868-1880
Fax (617) 868-1898
E-mail laws@village.com

July 21, 1994

John D. Podesta,
Staff Secretary
Executive Office of the President
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Board Officers

Ralph Earle II
Chairman
Erwin N. Griswold
Vice-Chair
Shirley M. Hufstetler
Vice-Chair
Philip A. Fleming
President
Leonard M. Marks
Vice-President
George C. Denney
Treasurer
Suzanne E. Spaulding
Clerk

John Parachini
Executive Director

Dear Mr. Podesta:

Russian President Boris Yeltsin's Administration has requested a 2-3 day program of workshops on "Techniques of Lobbying for the Executive Branch" to be held in Moscow in late October, 1994.

Your brother Tony, who briefed Yeltsin's former chief lobbyist as part of a Washington program we conducted last December, suggested that you, Patrick Griffin, and Doug Sosnik might be interested and able to participate.

This is part of a continuing program of exchanges and training we are conducting for President Yeltsin's senior staff on executive-legislative relations, funded by U.S.I.A. and the MacArthur Foundation. Last December's Washington visit by Anatoly Silva, who then was the President's chief lobbyist and Deputy Director of the President's State-Legal Administration, resulted in a reorganization of the President's legislative relations structure.

We anticipate that all of the reorganized senior staff who are involved in preparation of legislative strategy, legislative initiatives, and direct legislative relations on behalf of President Yeltsin would participate in the Moscow workshops, namely:

Alexander M. Yakovlev, Plenipotentiary Representative of the President to the Federal Assembly, and his senior staff;
Andrei V. Loginov, Director of the Presidential Administration's Department for Cooperation with Deputies of the Council of the Federation and the State Duma;
Georgii Satarov, Advisor to the President on Legal/Political Issues;
Aleksandr V. Oreschenko, Deputy Director of the State-Legal Administration and Head of its Department on Problems of the Federation and Cooperation with Parliament.

Because of the fluidity of politics in Moscow and the newness of the

National Office
1601 Connecticut Ave., NW
Washington, DC 20009
Tel. (202) 745-2450
Fax (202) 667-0444

Incorporated as Lawyers Alliance for Nuclear Arms Control, Inc. 1981

*Yer
if it's
legal +
John P
Denney
it's a
good idea
SQ*

John D. Podesta
July 21, 1994
Page 2

Federal Assembly and the Constitution which created it, the content of the workshops should be as broad as possible, covering not only techniques of direct legislative relations on behalf of the President but also the development of the legislative agenda; senior staff organization, communication, and accountability; media and interest group strategies; and the actual work of the Legislative Liaison staff. Enclosed is a topical outline and meeting schedule from the December program that suggests the scope of the Russian side's interests.

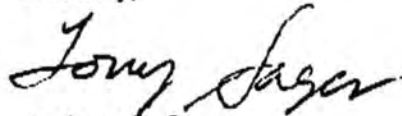
I will, of course, develop the final topical outline in conjunction with Mr. Yakovlev and the U.S. participants, and will meet in advance with you and/or the other U.S. participants to prepare the workshops. I will accompany the U.S. participants to Moscow and facilitate the workshops. Mr. Yakovlev speaks English but not all the others do, so there will be simultaneous translation for the workshops.

Also enclosed for your information are background materials on the Lawmaking for Democracy Project and the Lawyers Alliance for World Security, and the *Legal Times* piece on your brother's briefing for the December delegation on private lobbying.

This program can be very beneficial to President Yeltsin's reform efforts, as well as very interesting to the participants.

If you would like any further information, please let me know. I hope to hear from you soon, so that I can inform Mr. Yakovlev of the U.S. participants.

Sincerely,



Anthony P. Sager
Director
Lawmaking for Democracy

Enclosures

aps:ps
16.0721pod

**TOPICS TO BE COVERED IN EXECUTIVE-LEGISLATIVE RELATIONS
PROGRAM FOR STATE-LEGAL ADMINISTRATION**

Systems, Techniques, and Styles of Lobbying for the President

1. Annual cycles
 - a. President's agenda for a Congressional session
 - b. Top priority legislation for that session
 - c. President's annual Congressional presentations
 - i. State of the Union
 - ii. Budget message
 - iii. Economic report to Congress
 - d. Schedule, inputs, & flow-chart for preparing (c).i, ii, iii, above
2. Policy development in the White House and the Executive Branch: the Centralizing Process
 - a. Sources of policy
 - i. White House
 - ii. The agencies
 - iii. OMB
3. Anatomy of a legislative campaign on a priority issue: Who does what, & how-
 - a. President's and Vice-President's activities
 - i. with Members of Congress
 - ii. with the press
 - iii. with interest groups
 - b. Executive agencies' and their senior officials' activities
 - c. Supportive interest groups
4. Anatomy of legislative activity on a non-priority issue
5. Office of Legislative Affairs functions & how they are organized
 - a. Information gathering
 - b. Communicating the White House message
 - c. Bargaining with individual Members of Congress
 - d. Servicing the requests of individual Members of Congress
6. Cooperation and competition with outside interest groups
7. Legal issues, policy issues, and selling the issue

SCHEDULE for RUSSIAN PRESIDENT'S STATE-LEGAL ADMINISTRATION (1)

WASHINGTON, DC DECEMBER 12-18, 1993

LAWMAKING FOR DEMOCRACY PROJECT / LAWYERS ALLIANCE FOR WORLD SECURITY

	Monday, Dec. 13	Tuesday, Dec. 14	Wednesday, Dec. 15	Thursday, Dec. 16	Friday, Dec. 17
Breakfast	At Hotel*	Interview - Bob Deans, Cox Newspapers	At Hotel	At Hotel	At Hotel
Morning	10:00 am "Legislative Relations of a National Security Agency" - William Colby, fmur Dir., CIA 1250 24th St. NW 11:30 am House Foreign Affairs Cmte Staff Mtg 2173 RHOB	9:30 am "Planning and Implementing the President's Legislative Strategy" - Nicholas Calco, Pres. Bush's Director of Legislative Relations 1350 I St., Ste 690	10:00 am "Coordinating Strategy with the Executive" - T. O'Donnell, Chief of Staff to House Majority Leader H-148 11:30 Wm. H. Brown, House Parliamentarian	9:00 am "Budgetary & Tax Aspects of Federalism" - Jim Martin, National Governors' Assoc. 400 No. Capitol St.	10:30 am "Why is the Judiciary Independent?" - Abner J. Mikva, C.J., U.S. Circuit Court of Appeals (DC Cir.) 333 Const. Av
Lunch	Senate Members' Dining Room S-119 Bill Spencer S-5111	Cafe	12:30 pm House Foreign Affairs Subcmte Staff - Lunch & Discussion 2255 RHOB	1:00 pm Isaac Shapiro, Skadden, Arps Law Firm La Colline	12:00 pm "Legis. Strategy for Treaty Ratification" - Amb. Ralph Earle Crowell & Moring 11B
Afternoon	2:00 pm "Persuading Congress" - Thurgood Marshall, Jr., Legal Counsel, Vice-Pres. Gore S-212 4:00 pm "Legislative Drafting Process" - Roger Young, Dep. House Legis. Counsel 136 CHOB	2:00 pm "Legislative Strategy" - Steve Ricchetti, Dep. Director, Office of Legis. Affairs WH East Wing 4:30 pm "Lobbying for Business Clients" - Tony Podesta 1001 G St. Ste 900 East	2:00 pm Meet L. Marks & P. Fleming at Old Ebbitt Grill 3:00 pm "Role of the President's Lawyer" - President's Legal Counsel Bernard Nussbaum WH West Wing 5:00 pm Backgrounder with Ted Koppel ABC-TV	2:45 pm "Forming Legal Policy" - Jefferson Powell, Dep. Assis. Att'y General for Off of Legal Counsel DoJ 5224 4:15 pm "How a State Lobbies the Federal Gov't" - Mary Sheehy, Wisconsin State Legislative Director 400 No. Capitol St. Ste 613	2:00 pm "Presenting a Unified Legal Position in the Supreme Court" - Drew S. Days, Solicitor General DoJ 5143 3:30 pm "Lobbying for the Justice Dept." - Maria Olson, Spec Counsel to AAG for Legal Affairs DoJ 1145
Dinner/ Evening	Restaurant in Union Station	Restaurant on Capitol Hill	Restaurant	Restaurant in Georgetown	6:00 pm International Intellectual Property Association - Eric Smith, Maria Strong

* Quality Hotel Capitol Hill, 415 New Jersey Ave., SW Tel (202) 638-1616, fax 638-0707 Dec. 12-18, 1993

Final gpuschdc.d93

Chen

THE WHITE HOUSE
WASHINGTON

DATE: 9/24/94



NOTE FOR: Bob Rubin

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:

9/23 ↑

John -

Just a note
on a question
directed to
who 7 to
Rubin

THE PRESIDENT HAS SEEN

9/23/94

EVENT: CDFI bill signing

DATE: Fri, 9/23

TIME: 11:00 am - noon

LOCATION: Dept of Ag - Thomas Jefferson Auditorium
South Building - 14th and Independence

PARTICIPANTS:

POTUS

VPOTUS

MEMBERS:

- 1 Senator Robert Bennett
- ~~1 Senator Bill Bradley~~
- 1 Senator John Kerry
- 1 Senator Harlan Mathews
- 1 Senator Donald Riegle
- 1 Senator Paul Sarbanes
- 1 Rep. Jim Bacchus
- 2 Rep. Spencer Bachus
- Rep. Tom Barrett
- Rep. Doug Bereuter
- Rep. Ron Dellums
- Rep. Peter Deutsch
- Rep. Cleo Fields
- 1 Rep. Eric Fingerhut
- 1 Rep. Floyd Flake
- Rep. Luis Gutierrez
- 1 Rep. Paul Kanjorski
- 1 Rep. Joe Kennedy
- 1 Rep. Peter King
- Rep. Herb Klein
- Rep. Ron Klink
- Rep. Joe Knollenberg
- Rep. John LaFalce
- Rep. John Linder
- Rep. Carol Maloney
- Rep. Al McCandless
- 1 Rep. Robert Menendez
- 1 Rep. Stephen Neal
- Rep. Jim Nussle
- 1 Rep. Bill Orton
- 1 Rep. JJ Pickle
- Rep. Deborah Pryce
- Rep. Tom Ridge
- Rep. Marge Roukema
- 1 Rep. Lucille Roybal-Allard
- 1 Rep. Bobby Rush
- Rep. Chuck Schumer
- Rep. Lou Stokes
- Rep. Craig Thomas
- Rep. Robert Torricelli
- 1 Rep. Nydia Velazquez
- Rep. Maxine Waters
- 1 Rep. Mel Watt
- Rep. Al Wynn

P. Aug. 1994
of total
Barack
Barack
Barack

MEMBERS INVITED BUT UNABLE TO ATTEND:

Majority Leader Mitchell
Senator Christopher Bond
Senator Barbara Boxer
Senator Richard Bryan
Senator Robert Byrd
Senator Ben Nighthorse Campbell.
Senator Alfonse D'Amato
Senator Christopher Dodd
Senator Bob Dole
Senator Pete Domenici
Senator Lauch Faircloth
Senator Dianne Feinstein
Senator Wendell Ford
Senator Phil Gramm
Senator Mark Hatfield
Senator Fritz Hollings
Senator Patrick Leahy
Senator Connie Mack
Senator Barbara Mikulski
Senator Carol Moseley-Braun
Senator Patty Murray
Senator William Roth
Senator Jim Sasser
Senator Richard Shelby
Speaker Foley
Majority Leader Gephardt
Rep. Scotty Baesler
Rep. Richard Baker
Rep. David Bonior
Rep. Michael Castle
Rep. Cal Dooley
Rep. Barney Frank
Rep. Elizabeth Furse
Rep. Henry Gonzalez
Rep. Rod Grams
Rep. Maurice Hinchey
Rep. Steny Hoyer
Rep. Michael Huffington
Rep. Sam Johnson
Rep. Larry LaRocco
Rep. Rick Lazio
Rep. Jim Leach
Rep. Jerry Lewis
Rep. Bill McCollum
Rep. Joseph McDade
Rep. Kweisi Mfume
Rep. Bob Michel
Rep. David Obey
Rep. Toby Roth
Rep. Bernie Sanders
Rep. Bruce Vento

THE WHITE HOUSE
WASHINGTON

DATE: 09/23/94

TO: LEON PANETTA
TONY LAKE
PAT GRIFFEN

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

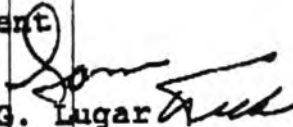
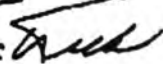
FYI.

The attached has been sent to
Sandy Berger to forward to the
President.

United States Senate

WASHINGTON, DC 20510

September 23, 1994

MEMORANDUM**TO:** The President**FROM:** Sam Nunn 
Richard G. Lugar **SUBJECT:** Next Steps on Haiti

We believe the next several days will be critical in defining the political situation in Haiti and in shaping the security of our forces there. Sam Nunn conveyed our views to President Aristide this morning, at a meeting arranged by Chris Dodd (Dick Lugar could not attend because of a prior commitment). We have two specific recommendations.

1. Sanctions and Alleviating the Suffering of the Haitian People. The plight of the Haitian people, particularly the poor, should be our top priority. We believe President Aristide should take the initiative now to lift all sanctions, particularly those imposed by the UN Security Council, that have an adverse impact on the Haitian people.

-- We understand our marines found the situation in Cap-Haitien to be deplorable: no electricity for a year, no bandages in the hospital, widespread malnutrition. The situation is probably worse in the interior of the country.

-- If living conditions continue to deteriorate, the risk to our soldiers and their mission will increase.

-- Let Aristide claim full credit now, as opposed to waiting to lift sanctions to enhance his popularity when he returns. This will help his people. It will also address the problem of the U.S. paying to alleviate humanitarian and economic problems worsened by continuation of the sanctions regime.

-- President Aristide this morning said he understood and would meet with his advisors this afternoon on the matter. We understand you have lifted most unilateral U.S. sanctions. We hope you will reinforce our message to Aristide that he should now take the lead on lifting the multilateral sanctions.

-2-

-- No matter what President Aristide does, we recommend that you press now to lift all sanctions on Haiti that have an adverse impact on the humanitarian and economic situation there.

(2) Political Process, Parliament and Amnesty. Our second recommendation is that all involved Haitian factions immediately initiate a political process leading to consensus on an amnesty law.

-- As you know, President Jonassaint has announced that he has summoned the parliament into session. President Aristide said this morning that he shortly will follow suit. This raises the prospect of dueling parliaments.

-- A related issue is the return of pro-Aristide parliamentarians currently in the United States and their security in Port-au-Prince.

-- We believe this process needs your strong support. If the parliament cannot come together to pass an amnesty law prior to Aristide's return, the anti-Aristide forces will be concerned about their safety. The odds of Haitian-on-Haitian violence will go up. As with a worsening humanitarian situation, this could put our forces in a very difficult position.

-- After Sam made these points to Aristide this morning, Aristide said he had already set this process in motion. But the potential for confrontation and breakdown of the process is high. We believe that time is of the essence, and the process will require careful nurturing. We recommend that you indicate to President Aristide and to the de facto rulers in Port-au-Prince that you support and will facilitate the immediate start-up of a political process leading to early parliamentary action on an amnesty law.

THE WHITE HOUSE
WASHINGTON

Cathy

dc

September 21, 1994

Michael M. Conway
Suite 3700
Three First National Plaza
Chicago, Illinois 60602

Dear Mike:

Thanks for your letter of September 14. It was good to hear from you and to get your encouraging words. I appreciate what you said about the job we're doing. We're certainly working very hard.

Thanks, too, for the update on your family. I know you must be proud of all of them.

I did have a chance to play golf with David Schulte. It was a great opportunity for us to catch up. *He won!*

I look forward to seeing you later this month.

Sincerely,

Bill

MICHAEL M. CONWAY
THREE FIRST NATIONAL PLAZA
SUITE 3700
CHICAGO, ILLINOIS 60602
(312) 558-6742

September 14, 1994

President Bill Clinton and Ms. Hillary Rodham Clinton
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500-2000

Dear Bill and Hillary:

From this vantage point fairly far in miles, and very far in perspective, from Washington, the realization is dawning that you are accomplishing important things. The Americorps ceremony, Crime Bill signing and job creation news are getting more notice and the focus on Washington political process less. As to health care, I really believe that people want something to be done (although the wished-for outcome varies markedly) and are frustrated that Congress has bogged down. But the overall message is that, when the distractions and cross-currents subside for a time, the good you have done begins to be recognized.

Jack and I thoroughly enjoyed our meetings with you. I have been remiss for not writing sooner about that. In his own way, Jack is very fed up with the "Washington way" of perceiving events and keeping score in petty (and ultimately unimportant) ways. Hillary, do you realize that both you and Jack were profiled in the same edition of Chicago Magazine? The article was kinder to you; Jack was labeled as too intellectual to ever become CEO of the Tribune Company. That prediction is far off the mark.

I am feeling particularly old since Cara (whom you saw in a stroller, Hillary, in 1974) turns 21 on Sunday. She spent the summer as an intern at ABC News, living in an apartment in Manhattan, and is in her senior year at Notre Dame. Michael is following his godfather (Jack's) career path and is in the graduate journalism program at Northwestern. Mary turned 13, is an 8th grader, a soccer player (on the school and league teams) and a delight.

Julie Watson, from your staff, called to invite me to the South Lawn ceremony for President Yeltsin on September 27 and I readily accepted. I will be among your 2000 friends (and witnesses to historic events) present on that occasion.

The Chicago papers reported that you played golf with my fellow Glencoe resident, David Schulte. This is good for David, since he has been exposed far too much to Republicans. In January 1992, when he dragooned his business associates to your event at the Chicago Club, there were, I counted, three Democrats in the room of 125 (and you and I were two of them).

Hillary, a few months ago, I ran into Tom Bell at the American College of Trial Lawyers meeting. Tom apparently is among the finalists on the Wisconsin senators' list to fill a vacancy on the Seventh Circuit.

One of my partners threatened today that, with the baseball season ending on such an ignominious note, he would call David Letterman to suggest a rerunning of the Wrigley Field Opening Day videotape, but this time it would be played backwards so that the ball would catapult from my head in the right field bleachers back to the hitter's bat and then to the Cubs' pitchers hand to show that the season had come full circle. If so, this time I want royalties.

Keep up the good work. Our thoughts and hopes and prayers are with you both.

Your friend,

A handwritten signature in dark ink, appearing to be 'Tom Bell', written in a cursive style.

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

19-Sep-1994 08:25pm

TO: Julia M. Burwinkel
TO: R. Paul Richard

FROM: Marilyn DiGiacobbe
 Office of Public Liaison

SUBJECT: Italian-American White House Staff Members

Following are the Italian-Americans in the White House drawn from our list of Italian-American appointees to the Administration. I can't ensure that it's 100%, we may have missed some because of non-Italian last names.

Please call me to discuss. I can be reached at x62721.

Pam Barnett
Executive Assistant to the First Lady

Lisa Caputo
Press Secretary to the First Lady

Ann Cattalini
Staff Assistant, Legislative Affairs

Marilyn DiGiacobbe
Associate Director, Office of Public Liaison

Pat (Orlando) Griffin
Assistant to the President for Legislative Affairs

Philip (Tripoli) Lader
Deputy Chief of Staff

Michael Lufrano
Deputy Director of Scheduling and Advance

Leon Panetta
Chief of Staff

Antonella Pianalto
Associate Director, Personnel

John Podesta

5:15 PM - Gather
 in West
 Lobby

5:30 PM - Proc
 Signing an
 Photo w/
 Italian-
 American
 staff in
 Oval

Assistant to the President and Staff Secretary

Steve Richetti

Deputy Assistant to the President, Legislative Affairs

Marjorie Tarmey

Special Assistant to Ira Magaziner

Ginny Terzano

Deputy Press Secretary to the President

Laura D'Andrea Tyson

Assistant to the President and Chair, Council of Economic Advisor

THE WHITE HOUSE
WASHINGTON

DATE: 09/21/94

THE ATTORNEY GENERAL
RON KLAIN

NOTE FOR: JAMIE GORELICK

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

Information ☒

Action ☐

See the President's note --

'This makes sense - Anything we
can do to push our part of Crime Bill -
Also see defense conversion idea
at bottom. BC'

Thank you.

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

cc:

This makes sense — anything we can do to push a part of the Bill — also the defense convention idea at bottom — bc

idea at bottom — cause found?

BY JAMES Q. WILSON

THE PRESIDENT HAS SEEN

9/21

THE PRESIDENT WANTS STILL tougher gun control legislation and thinks it will work. The public supports more gun control laws but suspects they won't work. The public is right.

Legal restraints on the lawful purchase of guns will have little effect on the illegal use of guns. There are some 200 million guns in private ownership, about one-third of them handguns. Only about 2 percent of the latter are employed to commit crimes. It would take a Draconian, and politically impossible, confiscation of legally purchased guns to make much of a difference in the number used by criminals. Moreover, only about one-sixth of the handguns used by serious criminals are purchased from a gun shop or pawnshop. Most of these handguns are stolen, borrowed or obtained through private purchases that wouldn't be affected by gun laws.

What is worse, any successful effort to shrink the stock of legally purchased guns (or of ammunition) would reduce the capacity of law-abiding people to defend themselves. Gun control advocates scoff at the importance of self-defense, but they are wrong to do so. Based on a household survey, Gary Kleck, a criminologist at Florida State University, has estimated that every year guns are used — that is, displayed or fired — for defensive purposes more than a million times, not counting their use by the police. If his estimate is correct, this means that the number of people who defend themselves with a gun exceeds the number of arrests for violent crimes and burglaries.

The available evidence supports the claim that self-defense is a legitimate form of deterrence. People who report to the National Crime Survey that they defended themselves with a weapon were less likely to lose property in a robbery or be injured in an assault than those who did not defend themselves. Statistics have shown that would-be burglars are threatened by gun-wielding victims about as many times a year as they are arrested (and much more often than they are sent to prison), and that the chances of a burglar being shot are about the same as his chances of going to jail. Criminals know these facts even if gun control advocates do not and so are less likely to burgle occupied homes in America than occupied ones in Europe, where the residents rarely have guns.

Some gun control advocates may concede these points but rejoin that the cost of self-defense is self-injury: Handgun owners are more likely to shoot themselves or their loved ones than a criminal. Not quite. Most gun accidents involve rifles and shotguns, not handguns. Moreover, the rate of fatal gun accidents has been declining while the level of gun ownership has been rising. There are fatal gun acci-

dents just as there are fatal car accidents, but in fewer than 2 percent of the gun fatalities was the victim someone mistaken for an intruder.

Those who urge us to forbid or severely restrict the sale of guns ignore these facts. Worse, they adopt a position that is politically absurd. In effect, they say, "Your government, having failed to protect your person and your property from criminal assault, now intends to deprive you of the opportunity to protect yourself."

Opponents of gun control make a different mistake. The National Rifle Association and its allies tell us that "guns don't kill, people kill" and urge the Government to punish more severely people who use guns to commit crimes. Locking up criminals does protect society from future crimes, and the prospect of being locked up may deter criminals. But our experience with meting out tougher sentences is mixed. The tougher the prospective sentence the less likely it is to be imposed, or at least to be imposed swiftly. If the Legislature adds on time for crimes committed with a gun, prosecutors often bargain away the add-ons; even when they do not, the judges in many states are reluctant to impose add-ons.

Worse, the presence of a gun can contribute to the magnitude of the crime even on the part of those who worry about serving a long prison sentence. Many criminals carry guns not to rob stores but to protect themselves from other armed criminals. Gang violence has become more threatening to bystanders as gang members have begun to arm themselves. People may commit crimes, but guns make some crimes worse. Guns often convert spontaneous outbursts of anger into fatal encounters. When some people carry them on the streets, others will want to carry them to protect themselves, and an urban arms race will be underway.

OUR GOAL SHOULD NOT BE THE DISarming of law-abiding citizens. It should be to reduce the number of people who carry guns unlawfully, especially in places — on streets, in taverns — where the mere presence of a gun can increase the hazards we all face. The most effective way to reduce illegal gun-carrying is to encourage the police to take guns away from people who carry them without a permit. This means encouraging the police to make street frisks.

The Fourth Amendment to the Constitution bans "unreasonable searches and seizures." In 1968 the Supreme Court decided (Terry v. Ohio) that a frisk — patting down a person's outer clothing — is proper if the officer has a "reasonable suspicion" that the person is armed and dangerous. If a pat-down reveals an object that might be a gun, the officer can enter the suspect's pocket to remove it. If the gun is being carried illegally, the suspect can be arrested.

The reasonable-suspicion test is much less stringent than the probable-cause standard the police must meet in order to make an arrest. A reasonable

suspicion, however, is more than just a hunch; it must be supported by specific facts. The courts have held, not always consistently, that these facts include someone acting in a way that leads an experienced officer to conclude criminal activity may be afoot; someone fleeing at the approach of an officer; a person who fits a drug courier profile; a motorist stopped for a traffic violation who has a suspicious bulge in his pocket; a suspect identified by a reliable informant as carrying a gun. The Supreme Court has also upheld frisking people on probation or parole.

Some police departments frisk a lot of people, but usually the police frisk rather few, at least for the purpose of detecting illegal guns. In 1992 the police arrested about 240,000 people for illegally possessing or carrying a weapon. This is only about one-fourth as many as were arrested for public drunkenness. The average police officer will make no weapons arrests and confiscate no guns during any given year. Mark Moore, a professor of public policy at Harvard University, found that most weapons arrests were made because a citizen complained, not because the police were out looking for guns.

It is easy to see why. Many cities suffer from a shortage of officers, and even those with ample law-enforcement personnel worry about having their cases thrown out for constitutional reasons or being accused of police harassment. But the risk of violating the Constitution or engaging in actual, as opposed to perceived, harassment can be substantially reduced.

Each patrol officer can be given a list of people on probation or parole who live on that officer's beat and be rewarded for making frequent stops to insure that they are not carrying guns. Officers can be trained to recognize the kinds of actions that the Court will accept as providing the "reasonable suspicion" necessary for a stop and frisk. Membership in a gang known for assaults and drug dealing could be made the basis, by statute or Court precedent, for gun frisks.

And modern science can be enlisted to help. Metal detectors at airports have reduced the number of airplane bombings and skyjackings to nearly zero. But these detectors only work at very close range. What is needed is a device that will enable the police to detect the presence of a large lump of metal in someone's pocket from a distance of 10 or 15 feet. Receiving such a signal could supply the officer with reasonable grounds for a pat-down. Underemployed nuclear physicists and electronics engineers in the post-cold-war era surely have the talents for designing a better gun detector.

Even if we do all these things, there will still be complaints. Innocent people will be stopped. Young black and Hispanic men will probably be stopped more often than older white Anglo males or women of any race. But if we are serious about reducing drive-by shootings, fatal gang wars and lethal quarrels in public places, we must get illegal guns off the street. We cannot do this by multiplying the forms one fills out at gun shops or by pretending that guns are not a problem until a criminal uses one. ■

James Q. Wilson is a professor of public policy at U.C.L.A. His most recent book is "The Moral Sense."

Rec'd 9/21

Tom
S. Lohr

see later ofc -
took to W.W.
desk

cc: Tony Lohr



JIMMY CARTER

THE PRESIDENT HAS SEEN
THE PRESIDENT HAS SEEN
9.21.94

September 16, 1994

✓
To President Clinton

I congratulate you on the progress made in the Geneva talks with the North Koreans in August. I hope most, if not all, of the unresolved issues can be settled satisfactorily during the September talks.

I wanted you to know that North Korean Ambassador Pak, on instructions from his government, requested a meeting to present the signed original of the letter President Kim Il Sung sent me on June 25 confirming in writing the agreements we had reached during my visit to Pyongyang. As you recall, your Administration received through diplomatic channels a similar confirmation. According to Ambassador Pak, the letter he will give me was the last one Kim Il Sung signed and sent to a foreigner before he died. I appreciate this thoughtful gesture and have agreed to meet with the ambassador in Atlanta on September 19.

I thought I would take advantage of the Ambassador's visit to make two points to his capital:

- First, that in our nuclear discussions in Pyongyang, President Kim Il Sung understood transparency of North Korea's nuclear program from its inception had to be part of a comprehensive agreement with the United States that included normalization of economic and diplomatic ties.

This message might facilitate the U.S. delegation's efforts to deal with the difficult special inspection issue. As long as inspections of the two undeclared nuclear sites are not seen as a precondition to an agreement but rather as part of an overall arrangement, I believe mutually acceptable formulae can be found that will serve our non-proliferation needs and take account of Pyongyang's concerns about sovereignty. I understand that our negotiators have flexibility of this point.

- Second, Kim Il Sung had spoken passionately to me about his desire for a summit meeting with the South Korean President and appealed to me to urge Kim Young Sam to agree to such a meeting without preconditions and extensive preparations. I would recommend that Pyongyang, in honor of Kim Il Sung, propose to Seoul to restart talks for the "postponed" summit--despite the vitriolic rhetoric on both sides since his death.

I know Seoul has concerns that Pyongyang is trying to use its talks with the United States to cause strains in the U.S.-South Korean relationship. I suspect the South Koreans would be less critical of the Geneva talks if they were engaged directly in discussions about a summit meeting with North Korea. I would hope that, if Pyongyang made the offer, Seoul would not delay preparatory talks, only the summit itself, until the future role of Kim Jung Il is clarified.

I intend to write Kim Young Sam to reassure him of my interest in South Korean concerns since I am perceived incorrectly by some in Seoul as more sympathetic to North Korean views. I will also tell him that I intend to encourage Pyongyang to offer to resume preparatory talks for the summit meeting and hope he would accept such an offer if it is forthcoming.

Please advise if you think it helpful if I raise other issues with the North Korean ambassador. You may wish to share this letter with Bob Gallucci.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jimmy". The signature is written in dark ink on a white background.

Moderates Near Health Care Deal, Mitchell Says

'Mainstream Coalition' in Senate Resolves '90 Percent' of Issues

By Dana Priest
Washington Post Staff Writer

Senate Majority Leader George J. Mitchell (D-Maine) continued discussions yesterday with a small group of Senate moderates who have been trying to reach agreement on a modest, last-ditch health care reform bill.

Mitchell said "90 percent" of the issues had been resolved between himself and the group. "We made a lot of progress on issues that could be contentious," Mitchell said. He said the group hopes to begin vet-

ting the proposal soon to other senators before deciding how to proceed.

"We recognize the very tight time constraints," Mitchell said. "... We're moving on this just as fast as possible."

But even some of Mitchell's most loyal supporters have said in recent days they wish the majority leader would end health care reform efforts this year. In deference to Mitchell, who passed up a Supreme Court nomination to attempt to pass health legislation, members said, they will continue to work on the matter.

Ten members of the self-described

"mainstream coalition" of Senate moderates met privately this morning and several emerged to say that if they cannot pass a bill this year their work will be useful in setting a benchmark for legislation next session.

"We're trying to come up with some agreement at least to put a bill down," said Sen. Dianne Feinstein (D-Calif.) "Whether it's voted on or not this year, that's another story."

Democratic leaders said privately, however, that they were skeptical that the impetus to pass any health reform measure at this point exists in the House.

In Md., a Doctor Battles Managed-Care Red Tape

Silver Spring pediatrician Daniel Shapiro, 37, once dreaded the thought of a Canadian-style health care system in which the government pays all the bills, but his experience with the bureaucracy of managed care has changed his perspective.

Now even Medicaid, the government insurance program for the poor that many doctors loathe, is beginning to look good to him. "Compared to the managed-care companies, it's a dream," said Shapiro, who belongs to several managed-care networks.

Doctors such as Shapiro are routinely required to fill out forms documenting the referrals they make to other doctors.

They have to send patients to specialists, hospitals, laboratories and diagnostic centers that are part of the right network, which gets complicated when they participate in multiple health plans. They have to get permission to send patients to a hospital or to perform various procedures,

which entails writing to and talking with health plan bureaucrats.

When the health plans veto their recommendations, appealing within the health plans requires more calls and letters.

"It's an administrative nightmare, and the complexity is only increasing," Shapiro said. To cope with the demands, Shapiro replaced his office manager of 10 years with a more experienced—and more expensive—manager who spent 25 years in hospital administration.

He hired a part-time billing manager to sort out the idiosyncrasies of the different managed-care companies' billing systems, invested in a new computer system and hired a consulting firm that specializes in medical office management to help reorganize his practice.

The consultants helped produce a comprehensive office procedures manual for Shapiro, a testament to red tape on the rise.

—David S. Hilzenrath

Travel Unit Probe Looks at Celebrity

Associated Press

A federal grand jury investigating the White House travel office has subpoenaed records related to President Clinton's Hollywood friend, Harry Thomason.

The White House said yesterday that a federal grand jury wanted all its records "relating to Harry Thomason or Darnell Martens, excluding those records related solely to the inauguration." Martens owned an aviation consulting firm with Thomason that sought some of the White House-hired air charters.

White House officials said they did not know whether Thomason was a target of the investigation, or if the records were simply related to a broader inquiry aimed at a former director of the travel office.

The subpoena, dated Sept. 15, was issued as part of an investigation being conducted by the Department of Justice's Public Integrity Section. It requires the documents by Sept. 30.

Thomason and Martens were at the center of a controversy that resulted from the May 1993 firing of seven employees in the White House travel office. Five were reinstated after it was learned that complaints about the operation came from Thomason and Catherine A. Cornelius, a distant cousin of the president.

The office's director, Billy Dale, who did not get his job back, is the target of the embezzlement probe. The investigation is focused on the use of money that news organizations paid to cover their travel costs.

White House counsel Lloyd Cutler yesterday instructed the White House staff to produce the documents.

THE WASHINGTON POST TUESDAY, SEPTEMBER 20, 1994

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Rgl- New Our talk

THE PRESIDENT HAS SEEN

9.21.94

In Corporate Hands, Health Care Bureaucracy Blooms

By David S. Hilzenrath
Washington Post Staff Writer

A market-driven revolution in American health care is giving private insurance bureaucracies more influence over day-to-day medical decisions than President Clinton ever proposed giving the federal government.

For a glimpse, enter the Rockville offices of Mid Atlantic Medical Services Inc., the Washington area's largest, managed-care company, where dozens of employees wearing telephone headsets occupy rows of cubicles.

Their job is to second-guess physicians; doctors and medical executives call them the "health police."

Utilization Management Nurse Coordinator Diane Erickson quizzes surgery candidates on their symptoms and feeds the answers into a computer, which is programmed to judge whether Mid Atlantic should pay for their operations.

"Are you able to do light housekeeping?" Erickson asks an arthritic 54-year-old woman seeking a hip replacement. "Are you able to climb stairs?"

"Does the pain... wake you from sleep?"

At a rate of 142 calls a day, Senior Provider Relations Representative Paul Gebhardt fields questions from doctors trying to comply with Mid Atlantic's billing and referral procedures. A Rockville physician's office wants to know why the company rejected the bill for a chest X-ray taken at Shady Grove Hospital.

"Did the doctor get a pre-certification from the Utilization Department before sending the member to the hospital for that service?" Gebhardt asks. "We'd need a pre-certification for that service to be done at the hospital and be covered."

Some workers prepare statistical profiles of the doctors in Mid Atlantic's networks, enabling them to tell a particular dermatologist that charges for his patients are running 42 percent above the average set by the rest of Mid Atlantic's dermatologists.

Other employees administer a

HEALTH CARE, From A1

computer program to detect billing subterfuges by physicians.

The bureaucracy extends beyond the five office buildings that make up Mid Atlantic's headquarters, into the wards of area hospitals, where company nurses review patients' charts and prod doctors to discharge members of Mid Atlantic's MD-IPA and Optimum Choice health maintenance organizations as soon as possible.

Opponents of broad national health care legislation have argued that proposals by Clinton, Senate Majority Leader George Mitchell (D-Maine), House Majority Leader Richard A. Gephardt (D-Mo.) and others would create an intrusive government health care bureaucracy.

"When my momma gets sick, I want her to talk to a doctor and not some government bureaucrat," Sen. Phil Gramm (R-Tex.) said during recent legislative debate. Americans "want control of the health care decisions that affect them, and they do not want to give that control away to a faceless, passionless bureaucracy

in Washington," said Sen. Mitch McConnell (R-Ky.).

The Health Insurance Association of America, an insurance lobby, struck similar themes in its \$14 million "Harry and Louise" television ad campaign, warning that certain proposals would lead to "limits on services" and "another billion-dollar bureaucracy."

But some experts say those arguments omit the obvious: U.S. health care is already becoming more bureaucratic as power shifts from individual doctors to large managed-care organizations such as health maintenance organizations and preferred-provider organizations. In the era of so-called "corporate medicine," many health insurance plans spend money on bureaucracies to contain spending on doctors and hospitals—and to insert a measure of independent quality control into the doctor-patient relationship.

Jeff D. Emerson's position as chief executive of HealthPlus, a major Washington area HMO, makes him a chief in the health police, but he does not relish the role. Something has gone "fundamentally wrong" in the quest for cost-effective medicine, he said.

"Historically, managed-care companies have been in the policing business," Emerson said. "We don't want to be in the policing business, because just like the regular police, what you find is you constantly have to put more police on the force and out on the streets and you have to equip them with better technology in order to stay up with the criminals."

"Plus, it has the extremely bad downside of creating an adversarial relationship between physicians and managed-care companies," he said.

The managed-care bureaucracies include a layer of physicians, who help set policy and resolve disagreements with outside doctors.

While managed-care bureaucracies do save money for the people they insure, they also take a bite out of every dollar those people pay for coverage. The typical HMO spent 13 percent of its revenue on administrative expenses last year, which translates into \$190 per member, according to HCIA Inc., a Baltimore-based health care information company. The typical HMO spent 82.5 percent of its revenue on medical expenses such as payments to doctors and hospitals, and that figure has been declining, HCIA said.

"What is supposed to be a movement toward greater efficiency and a streamlining of costs... may actually turn out to be a boondoggle for administration," said economist J.D. Kleinke of HCIA, whose clients include HMOs, hospitals and other health care businesses.

Administrative expenses at Mid Atlantic's two HMOs are low by industry standards. They rose to 8.6 percent of overall revenue in the first half of this year from 6.9 percent last year, while medical expenses declined to 87.8 percent of revenue from 88.8 percent.

Some industry observers challenge the assumption that profit-motivated private bureaucracies are inherently preferable to politically accountable government bureaucracies.

"Why should you care so much whether you have a civil servant's Hush Puppy or a private regulator's

wingtip boot on your shoulder?" said Princeton University health economist Uwe Reinhardt.

As Congress debated health policy, conservative lawmakers reserved some of their sternest criticism for a proposal to cover the poor, the unemployed and the self-employed, among others, by including them in Medicare.

However, Medicare, a federal insurance program for the elderly and disabled, does not attempt to manage individual medical cases the way HMOs do, and it operates at a fraction of the administrative overhead margin of private insurers.

Similarly, Canada's government-run health system, cited by many lawmakers as an example of bureaucracy run amok, refrains from micro-managing decisions about individual patients. Its most influential functions are setting payment levels and budgets for doctors and hospitals; when it provides too little money, patients have to wait for non-emergency care.

More than half of all privately insured Americans are covered by managed-care plans, and enrollment has been climbing. About a fifth of the U.S. population receives its care through health maintenance organizations, and nearly a quarter of the population is covered by preferred-provider organizations, according to various studies.

Clinton's original health plan would have staked its success on the continued growth and effectiveness of managed care. Instead of calling for the government to ration medical services, Clinton proposed capping spending by private health plans, forcing them to make the tough decisions about how to limit expenses.

The growth of managed-care bureaucracies is producing more than just cost savings. Managed-care executives say their quality control efforts have spared patients the risk and trauma of unnecessary procedures such as some Caesarean sections while improving rates of immunization and increasing screenings for diseases such as breast cancer.

In the course of interviewing the 54-year-old candidate for a hip replacement, Mid Atlantic's nurse Erickson discovered that the patient was taking a potentially harmful combination of medications, which she urged the patient to discuss with her doctor. During similar interviews, Mid Atlantic nurses have

found some women unaware that the hysterectomies their doctors recommended would prevent them from bearing children, said Cindy Henegar, the company's director of Utilization Management.

Some health care executives, including HealthPlus CEO Emerson, predict that managed care will become less bureaucratic as it evolves. By taking away doctors' financial incentives to perform too many tests and procedures, managed-care companies may reduce the need to look over doctors' shoulders, they say.

However, changes in the way doctors are paid could just as easily give rise to substitute bureaucracies in which members of physician groups look over each other's shoulders, observers say.

Managed-care plans have higher administrative expenses than traditional insurance plans, according to health plan executives such as Larry C. Glasscock of Blue Cross and Blue Shield of the National Capital Area, which offers both traditional insurance and managed care.

A lack of comparable data makes it difficult to measure the difference, analysts said.

A study in the New England Journal of Medicine last year found that many hospitals have been adding administrative personnel to compete with each other for places in health plans' provider networks, even as they have been losing patients.

A more recent analysis by Gerard F. Anderson, director of the Johns Hopkins Center for Hospital Finance and Management, found that U.S. hospitals increased their administrative staffs by 29.7 percent in relation to patient levels from 1981 to 1992 while they increased their nursing staffs by only 5.1 percent.

Anderson linked the trend to the rise of managed care.

U.S. Voters Focus on Selves, Poll Says

By RICHARD L. BERKE

Special to The New York Times

WASHINGTON, Sept. 20 — As they turn inward and worry about their own financial difficulties, American voters have become less compassionate about the problems of the poor and minorities, a study of public opinion shows.

The finding was part of a wide-ranging study, conducted by the Times Mirror Center for the People and the Press and made public today, that found an electorate that is "angry, self-absorbed and politically unanchored."

It concluded that there is "no clear direction in the public's political thinking other than frustration with the current system and an eager responsiveness to alternative political solutions and appeals."

The changed attitudes on race and social welfare, and a growing resentment toward immigrants, were striking given the relatively healthy state of the economy. The finding helps explain why President Clinton has not reaped much political benefit from an improved economy; most people say they do not feel the improvements and appear uncertain about their own economic future.

For the first time in the seven years of Times-Mirror surveys, a majority of whites 51 percent, say they agree that equal rights have been pushed too far; in 1992, only 42 percent shared that view.

People are less inclined to express concerns for the plight of blacks.

The racial attitudes tracked in the poll show considerable shifts. People now are less inclined to express concerns for the plight of black Americans than they were only two years ago, after the trial of four white police officers charged in the beating of Rodney G. King and the riots that followed in Los Angeles.

Forty-four percent of whites say there has not been much real improvement in the position of blacks in the United States; 54 percent gave that response in 1992.

The poll also found a striking decline in public support for social welfare programs. Fifty-seven percent said it was the responsibility of government to take care of people who cannot take care of themselves, down from 69 percent in 1992 and 71 percent in 1987.

There were some demonstrations of tolerance for minorities, people with AIDS and homosexuals, so long as people's pocketbooks were not

affected. In the biggest shift, 65 percent agreed that it is all right for blacks and whites to date, a 22-point increase over the figure for 1987.

The poll depicted an electorate that is so embittered and cynical that it is far less likely to believe in political parties and veteran politicians.

The disaffection is demonstrated by the finding that many young people, whose allegiances are often a gauge of future ideological trends, are politically rootless. The Republican Party squandered an 11-point advantage it held among adults under the age of 30 at the beginning of George Bush's Presidency, according to the survey. But Mr. Clinton has also failed to hold the support of a large segment of the young people he won over in the 1992 campaign.

Among adults under the age of 30 who identify with a political party, Republicans have a slight advantage over Democrats, 30 to 26 percent. But the highest proportion, 41 percent, call themselves independents.

"Neither party has an advantage with people under 30, or with voters 30 to 49, for that matter," the study said. "The slight numerical nationwide advantage held by Democrats results from a lingering preference for the Democratic Party among older voters still influenced by the Kennedy years, or more distantly, by the New Deal."

The Times Mirror Center has conducted a series of major surveys since 1987 to analyze public views in more depth than many public opinion surveys. For this survey, 3,800 adults nationwide were interviewed by telephone from July 12 to July 25. The poll's margin of sampling error is plus or minus two percentage points.

Another sign of voter unease is that the dynamics that led Ross Perot to win 19 percent of the vote in his independent bid for the Presidency in 1992 has not abated. Today 53 percent of the nation's voters said there should be a third major political party in the United States. The survey found.

The survey also found that 20 percent of the electorate was ready to bolt to a third party. This group of swing voters, which the survey labels "new economy independents," fits no easy political mold: It consists largely of high school graduates under 50 who are not optimistic about their future job opportunities. They are fed up with political parties and opposed to government regulation, yet they are strong environmentalists. They believe in social welfare programs but are not sympathetic to blacks. And though they are religious, they are moderate on social issues, like homosexual rights. Three in 10 of this group voted for Mr. Perot.

"We were shocked," said Andrew Kohut, director of surveys for Times Mirror, "by how much the Ross Perot phenomenon, which I was very skeptical of, seems to be firm in the electorate."

One of the most notable findings was that the parties have greatly declined as a basis for which Americans organize their political thinking. The failure to attract young people has left the Democratic Party "depleted and dispirited," and there are rising internal divisions over race and moral issues, the study said.

Meanwhile, the Republican Party has expanded its political base with the influx of religious and cultural conservatives, but the study cautioned that "there are signs that it is fragmenting over social tolerance issues."

SURVEY

Dissatisfaction With the Major Parties

The percentage of people in each category who said they agreed with the following statement: "Some people say we should have a third major political party in this country in addition to the Democrats and Republicans."

In addition, the percentage of people in each category who said they voted for Ross Perot for President in 1992 is also shown.

	Should have a third major political party (%)	Said they voted for Perot in 1992 (%)
TOTAL	53%	14%
SEX		
Male	58%	17%
Female	47	11
RACE		
White	53%	15%
Black	46	5
Hispanic	54	19
AGE		
18 to 24	60%	12%
25 to 29	63	17
30 to 34	58	15
35 to 49	57	16
50 to 64	47	13
65 and older	36	10
EDUCATION		
College graduate	55%	15%
Some college	60	15
High school graduate	52	15
Less than high school diploma	41	10
PARTY IDENTIFICATION		
Republican	45%	12%
Democrat	48	8
Independent	65	21
SELF-DESCRIBED IDEOLOGY		
Conservative	46%	13%
Moderate	56	16
Liberal	61	12

From a survey by the Times Mirror Center for People and the Press. Telephone interviews were conducted July 12-27 with 3,800 people age 18 and older. Margin of error: plus or minus two percentage points.

THE PRESIDENT HAS SEEN

9-21-94

UP

Haiti a model for success

President Clinton should take his new firmness
and chart new courses in Bosnia and Cuba

AMES, Iowa — Haiti was a success.

What we should do now is ask: What lessons have we learned? How can we take this blueprint, institutionalize this process to bring about further successes?

Here are some starting points.

The lessons learned:

► Success comes most to those who are firm in their goals, flexible in their methods. President Clinton was both. He never wavered, he never waffled. Yet he was open to any means to achieve his ends.

What a remarkable turn this is. The waffling iron could well be the symbol of the State Department — with its one-day-this, one-day-that policies on Bosnia and Cuban refugees and, until last week, Haiti itself.

► Success comes to those who lead. The president last week finally took the reins. He made up his mind, and then — an important step — he went on television to explain the situation to the rest of us.

Clinton's speech Thursday was clear, straightforward and heartfelt. He knew the majority of people in the USA opposed intervening in Haiti.

But, agree or disagree, it was hard to

watch that speech without believing it came from the heart.

Many of those who did watch were convinced by all the president's mien; the poll numbers changed overnight.

Policies must be debated by the people, and that speech helped focus, and refocus, the debate on Haiti.

It shaped the headlines and helped Americans understand the issues and, ultimately, take pride in the success.

► Success comes to those who take risks. The president's policy took the ultimate risk, the offering up of lives of young American soldiers to ensure freedom for an oppressed people.

But sometimes you must take that risk. Now was one of those times, and the president recognized it. The blueprint's future:

► There is a valuable role for ex-presidents.



By Marcia Stalmer, USA TODAY

Jimmy Carter is a model ex-president, probably a better ex-president than he was a president. His perseverance — first in Korea, then in Haiti — has saved lives, helped peace.

But these are just the most visible of his endeavors. He has been overseeing elections to bring de-

mocracy to troubled nations almost since he left the White House in 1981. He has worked ceaselessly and tirelessly for democracy abroad and for humanity at home.

Why does this nation not take advantage of the skills of other ex-presidents? Why are they pensioned off to pasture?

Would not Richard Nixon have been invaluable as a foreign-policy adviser to his successors?

Would not George Bush — former ambassador to China, former head of the CIA, former boss of our U.N. delegation, and former president — lend added weight to difficult trade negotiations with Japan, say, or new dealings with China?

Would not Gerald Ford, who spent most of his adult life in Congress, be useful as a bridge between branches of government, a kind and honest man with no agenda other than harmony, a man whom both sides would listen to, a man who could bring back civility to uncivil Washington?

► There is no role for the United Nations in matters like Haiti. Using the United Nations as a front, as Clinton did, was a snare and a delusion. The debate over Haiti belonged in Congress in Washington, not at the United Nations in New York.

The United Nations may have a role in peace-keeping, but it certainly had no business in this Haiti deal. This was a U.S. initiative, a U.S. problem and a U.S. solution. Using the United Nations was a sham.

What's next?

Difficult days lie ahead in Haiti, of course.

But why doesn't the president take his new firmness and set a course for Bosnia?

Why doesn't the president take his new leadership team and send them to meet with Fidel Castro — not to threaten war, but to offer peace?

The world is full of trouble spots, but those two are ones where the United States could make a difference.

Real leadership and a tough policy could bring about a settlement in Bosnia.

Real overtures and a common-sense policy — phasing out the embargo — could bring peaceful change to Cuba.

The president in the past few days has shown he can lead in matters foreign as well as domestic. The people are clearly with him — the turnaround in the overnight polls was astounding — and so is the momentum.

COUNTERPOINTS' four columnists provide views from diverse perspectives on today's issues. Wednesday: Linda Chavez on Haiti. Thursdays: Susan Estrich. Mondays: Tony Snow. Tuesdays: Michael Gartner.



COUNTERPOINTS
By Michael Gartner

THE PRESIDENT HAS SEEN

9.21.94

UP
fixer
on WWT

THE WHITE HOUSE

WASHINGTON

September 17, 1994

TO: Senator Joseph R. Biden, Jr. (224-5042)

DATE: Call should be made early this week

FROM: Patrick Griffin and Victoria Radd VR

PURPOSE: This call is to request that Biden work to confirm as many judges as possible before Congress adjourns.

POINTS:

1. One of my most important legislative priorities is to ensure that as many judicial nominees as possible are confirmed by the Senate before Congress adjourns next month. I know you share this goal.
2. As of early this week, we will have almost 50 nominations pending before the Senate (of which only 14 have had their hearings). I would ask that your Committee try to hold at least 4 more hearings to confirm 28 of these nominees (7 per hearing).
3. I recognize what an extraordinary effort will be required. Senator Hatch is under great pressure within his party to slow down the confirmation process. And you will need to get his agreement to waive the Committee's rules to proceed on some of the more recent nominations. But I know that you and your terrific staff will work just as hard as you did on the Crime Bill to get as many of our judges confirmed as humanly possible.
4. We still have a tradition of bipartisanship in judicial selection. We all owe it to the country to get our judges in place as quickly as possible. If we can meet this proposed schedule, we will reduce the vacancies to below 40 -- below the number left by George Bush at this same point in his term. With this "full employment judiciary" in place, we can move on next year -- as you have said -- to consider enactment of the additional judgeships that are so needed.

CONTACT: Victoria Radd
x6-7176

only want to get to know you
never privilege

THE PRESIDENT HAS SEEN 9/21

THE WHITE HOUSE

WASHINGTON

September 19, 1994

94 SEP 20 P2:10

MEMORANDUM FOR THE PRESIDENT
THE VICE PRESIDENT
THE FIRST LADY
LEON PANETTA

FROM: HAROLD ICKES *HP*

SUBJECT: DNC Brochure on the President's Accomplishments

Attached is a brochure produced by the Democratic National Committee "A Solid Record of Accomplishments".

*See memo
w: Bill*

A Solid Record *of* Accomplishment



White House Photo Office

THE PRESIDENT HAS SEEN 9/21

THE CLINTON CONNECTION
302 Sonnet Street
Hot Springs, Arkansas 71913
"Hometown of President Bill Clinton"

CR
Pls have this
document signed
to Stuart Muszynski
R

September 6, 1994

Dear Mr. President (Bill):

Rosalind and I had the privilege of meeting with Mr. Stuart Muszynski during his vacation in Hot Springs.

He showed us a video on Project Love that was certainly impressive. We could tell that a lot of Time and Love has gone into this project.

I am asking that you or your staff take the time to read about Project Love and to please contact Mr. Muszynski about a future meeting with him so you could see this video and to talk with him about it. His address and phone number are on his letter to you that I am enclosing.

Sincerely,

Johnette Taylor
Johnette Taylor
The Clinton Connection

Enc 1

cc: Stuart Muszynski

LIFE ENHANCERS™

Preserving the Future

August 24, 1994

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

Dear Mr. President:

I had the pleasure of meeting Mrs. Johnette Taylor during a recent family vacation to Hot Springs and had the opportunity to show her and Mrs. Rosalind Hudson a video I produced for Project Love.

The video is the introduction to an all-day experiential seminar for high school students. This Project Love Seminar is an all-day experience that can enable high schoolers to make positive choices in their lives. Among these choices are love, understanding, compassion, self-esteem, release of anger and commitment. By presenting these choices and achieving a buy-in from the students, we have observed that teens are able to feel compassion, understanding and acceptance of and from their peers. They are also empowered to do good. Hence, they have some tools that give them a framework for resisting negatives, such as gangs, hatred and violence.

The program is my dream, one that came to me while I was incapacitated and totally disabled as a result of an adverse prescription drug reaction. I started working on it from my bedside and assembled sponsors such as American Greetings, WDOK Radio, the local ABC and FOX affiliates, Northwestern Mutual Life-Cleveland and Mt. Sinai Hospital of Cleveland to help me with the project. The U.S. Holocaust Memorial Museum assisted me with slides so that the students could see the ultimate consequence of burning hatred, the Holocaust as well as modern-day holocausts in Rwanda and the inner-city.

Our first Project Love Seminar was on May 25th with 100 11th-graders at Berkshire High School, outside of Cleveland. The response was tremendous -- teens said that what started out as a video about the Holocaust turned out to be an experience about how they can choose to live their lives. We all have the choice of living our lives as perpetrators, victims, bystanders or rescuers in our country. My wife and I have a vision of encouraging more people to choose to be rescuers -- of themselves and others.

We are committed to doing these seminars throughout the country. But we have another dream, as well. That is to sponsor Project Love Community Understanding Days where all high schools in a major city can send 4 representatives (2 students, 2 teachers) to have the Project Love experience with peers of diverse backgrounds. Thereafter, they can influence the environment in their school as well as assist us in planning a seminar for their school.

LIFE ENHANCERS, INC.

1801 East Ninth Street • Cleveland, Ohio 44114
Telephone: (216) 473-2215 FAX: (216) 566-9489

Honorable Bill Clinton
Re: Project Love
August 24, 1994
Page 2

We are planning our first Community Understanding Day in Greater Cleveland (among 200 or so high schools) for early 1995. As part of this program, we would like teens throughout Cleveland to get the message that the conscious choices of compassion, love and understanding are supported by this community as well as by the highest offices in the country. The messages they get today, as they open any newspaper in the country, is that fighting is a solution.

Which brings me to you. From afar, I have felt that you are a person who has lots of love and caring. I know that you have a vision of transmitting those elements to the country. And now that I have vacationed for 10 days in Hot Springs and visited with Johnette and Rosalind, I am convinced of my gut feeling. I can see that you are a reflection of your own upbringing amidst very decent and loving people. I believe that these values are exactly what Project Love is all about. We can't replace the family unit, but we can get kids to start talking to and feeling for each other.

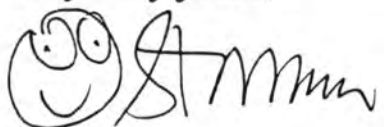
I have visualized you speaking at our Project Love Community Understanding Day graduation in early 1995, as well as at a banquet afterwards, where the Cleveland community can reinforce the messages given the teens during the seminar. I am enclosing a copy of one of our graduation certificates (designed by American Greetings).

I know that you're concerned with both crime and the deterioration of values. I hope that you believe that a lot of deterring crime has to come from the inside out, not just by more police and prisons. That's why I'm asking for your help.

Mr. President, you have talked a lot about "a place called Hope." I know that Hope and love are really one and the same, and we need more of both in the country. Could I please come to Washington to show you my video and interest you in attending our event and spreading the messages you hold in your heart?

I can be reached at 216-473-2215.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Stuart Muszynski'. To the left of the signature is a simple line drawing of a smiling face with two dots for eyes.

Stuart Muszynski

Esterwegen * Papenberg * Amerstorf * Sachsenhausen

* Theresienstadt * Maidanek * Sobibor * Ravensbrück

* Buchenwald * Chelmo * Dachau * Lublin

This is to certify that

participated in Project Love, learned the skills of loving thoughts
and loving kindness, and committed to using those skills
in a kind approach to people and the world.

Presented this _____ day of _____, 19____.

Teacher

Facilitator

Director of Project Love

Principal

Auschwitz * Belzec * Bergen-Belsen * Berkenau *

This makes sense — anything we
can do to push a pair of the best —
the defense conviction idea
at baton — bc

idea at baton — Carter
found?

BY JAMES Q. WILSON

THE PRESIDENT HAS SEEN

9/21

THE PRESIDENT WANTS STILL tougher gun control legislation and thinks it will work. The public supports more gun control laws but suspects they won't work. The public is right.

Legal restraints on the lawful purchase of guns will have little effect on the illegal use of guns. There are some 200 million guns in private ownership, about one-third of them handguns. Only about 2 percent of the latter are employed to commit crimes. It would take a Draconian, and politically impossible, confiscation of legally purchased guns to make much of a difference in the number used by criminals. Moreover, only about one-sixth of the handguns used by serious criminals are purchased from a gun shop or pawnshop. Most of these handguns are stolen, borrowed or obtained through private purchases that wouldn't be affected by gun laws.

What is worse, any successful effort to shrink the stock of legally purchased guns (or of ammunition) would reduce the capacity of law-abiding people to defend themselves. Gun control advocates scoff at the importance of self-defense, but they are wrong to do so. Based on a household survey, Gary Kleck, a criminologist at Florida State University, has estimated that every year guns are used — that is, displayed or fired — for defensive purposes more than a million times, not counting their use by the police. If his estimate is correct, this means that the number of people who defend themselves with a gun exceeds the number of arrests for violent crimes and burglaries.

The available evidence supports the claim that self-defense is a legitimate form of deterrence. People who report to the National Crime Survey that they defended themselves with a weapon were less likely to lose property in a robbery or be injured in an assault than those who did not defend themselves. Statistics have shown that would-be burglars are threatened by gun-wielding victims about as many times a year as they are arrested (and much more often than they are sent to prison) and that the chances of a burglar being shot are about the same as his chances of going to jail. Criminals know these facts even if gun control advocates do not and so are less likely to burgle occupied homes in America than occupied ones in Europe, where the residents rarely have guns.

Some gun control advocates may concede these points but rejoin that the cost of self-defense is self-injury: Handgun owners are more likely to shoot themselves or their loved ones than a criminal. Not quite. Most gun accidents involve rifles and shotguns, not handguns. Moreover, the rate of fatal gun accidents has been declining while the level of gun ownership has been rising. There are fatal gun acci-

dents just as there are fatal car accidents, but in fewer than 2 percent of the gun fatalities was the victim someone mistaken for an intruder.

Those who urge us to forbid or severely restrict the sale of guns ignore these facts. Worse, they adopt a position that is politically absurd. In effect, they say, "Your government, having failed to protect your person and your property from criminal assault, now intends to deprive you of the opportunity to protect yourself."

Opponents of gun control make a different mistake. The National Rifle Association and its allies tell us that "guns don't kill, people kill" and urge the Government to punish more severely people who use guns to commit crimes. Locking up criminals does protect society from future crimes, and the prospect of being locked up may deter criminals. But our experience with meting out tougher sentences is mixed. The tougher the prospective sentence the less likely it is to be imposed, or at least to be imposed swiftly. If the Legislature adds on time for crimes committed with a gun, prosecutors often bargain away the add-ons; even when they do not, the judges in many states are reluctant to impose add-ons.

Worse, the presence of a gun can contribute to the magnitude of the crime even on the part of those who worry about serving a long prison sentence. Many criminals carry guns not to rob stores but to protect themselves from other armed criminals. Gang violence has become more threatening to bystanders as gang members have begun to arm themselves. People may commit crimes, but guns make some crimes worse. Guns often convert spontaneous outbursts of anger into fatal encounters. When some people carry them on the streets, others will want to carry them to protect themselves, and an urban arms race will be underway.

OUR GOAL SHOULD NOT BE THE disarmament of law-abiding citizens. It should be to reduce the number of people who carry guns unlawfully, especially in places — on streets, in taverns — where the mere presence of a gun can increase the hazards we all face. The most effective way to reduce illegal gun-carrying is to encourage the police to take guns away from people who carry them without a permit. This means encouraging the police to make street frisks.

The Fourth Amendment to the Constitution bans "unreasonable searches and seizures." In 1968 the Supreme Court decided (*Terry v. Ohio*) that a frisk — patting down a person's outer clothing — is proper if the officer has a "reasonable suspicion" that the person is armed and dangerous. If a pat-down reveals an object that might be a gun, the officer can enter the suspect's pocket to remove it. If the gun is being carried illegally, the suspect can be arrested.

The reasonable-suspicion test is much less stringent than the probable-cause standard the police must meet in order to make an arrest. A reasonable

suspicion, however, is more than just a hunch; it must be supported by specific facts. The courts have held, not always consistently, that these facts include someone acting in a way that leads an experienced officer to conclude criminal activity may be afoot; someone fleeing at the approach of an officer; a person who fits a drug courier profile; a motorist stopped for a traffic violation who has a suspicious bulge in his pocket; a suspect identified by a reliable informant as carrying a gun. The Supreme Court has also upheld frisking people on probation or parole.

Some police departments frisk a lot of people, but usually the police frisk rather few, at least for the purpose of detecting illegal guns. In 1992 the police arrested about 240,000 people for illegally possessing or carrying a weapon. This is only about one-fourth as many as were arrested for public drunkenness. The average police officer will make no weapons arrests and confiscate no guns during any given year. Mark Moore, a professor of public policy at Harvard University, found that most weapons arrests were made because a citizen complained, not because the police were out looking for guns.

It is easy to see why. Many cities suffer from a shortage of officers, and even those with ample law-enforcement personnel worry about having their cases thrown out for constitutional reasons or being accused of police harassment. But the risk of violating the Constitution or engaging in actual, as opposed to perceived, harassment can be substantially reduced.

Each patrol officer can be given a list of people on probation or parole who live on that officer's beat and be rewarded for making frequent stops to insure that they are not carrying guns. Officers can be trained to recognize the kinds of actions that the Court will accept as providing the "reasonable suspicion" necessary for a stop and frisk. Membership in a gang known for assaults and drug dealing could be made the basis, by statute or Court precedent, for gun frisks.

And modern science can be enlisted to help. Metal detectors at airports have reduced the number of airplane bombings and skyjackings to nearly zero. But these detectors only work at very close range. What is needed is a device that will enable the police to detect the presence of a large lump of metal in someone's pocket from a distance of 10 or 15 feet. Receiving such a signal could supply the officer with reasonable grounds for a pat-down. Underemployed nuclear physicists and electronics engineers in the post-cold-war era surely have the talents for designing a better gun detector.

Even if we do all these things, there will still be complaints. Innocent people will be stopped. Young black and Hispanic men will probably be stopped more often than older white Anglo males or women of any race. But if we are serious about reducing drive-by shootings, fatal gang wars and lethal quarrels in public places, we must get illegal guns off the street. We cannot do this by multiplying the forms one fills out at gun shops or by pretending that guns are not a problem until a criminal uses one.

James Q. Wilson is a professor of public policy at U.C.L.A. His most recent book is "The Moral Sense."

ILLUSTRATION BY OWEN SMITH

47

9/21

Lion / Mark / Galton

I think we +

Page 23

Biley Mould always

29TH STORY of Level 1 printed in FULL format.

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The Atlanta Journal and Constitution

November 28, 1993

SECTION: PERSPECTIVE; Section F; Page 3

LENGTH: 273 words

HEADLINE: Reading, writing and basic values

BYLINE: By George Gallup Jr. and Robert Bezilla

BODY

Almost all Americans want to see basic values such as honesty, patriotism, and love of country taught in public schools, and almost 70 percent believe their local community can reach agreement on what values should be taught, according to a Gallup poll.

The survey indicated that a group of "bedrock" values exists that at least nine out of 10 people agree should be taught:

Nearly everyone surveyed (97 percent) believe that honesty should be taught.

Ninety three percent of respondents supported the teaching of belief in democracy and acceptance of racial groups other than their own.

Caring for family and friends was supported by 91 percent, and 90 percent endorsed the "golden rule."

Less support is found for issues that some might regard as private matters. Two people on three supported the teaching of sexual abstinence outside marriage, and a little over half believed that schools should teach students about a woman's right to abortion (56 percent) or to show tolerance for homosexuals or bisexuals (51 percent).

The majority of adults surveyed believed that prayers should be part of graduation ceremonies at public schools - an idea that finds the most favor among Protestants (82 percent) and Catholics (72 percent).

Least support for school prayer at graduation is found among Jews and other minority faiths, and those with no religious affiliation.

The findings are based on telephone interviews of 1,306 adults conducted by Gallup from May 21 to June 9. The margin of error is plus or minus 3 percentage points.

This article is based on a survey by the George H. Gallup International Institute.

LANGUAGE: ENGLISH



Yale Law School
New Haven, CT 06520

September 7, 1994

President Bill Clinton
The White House
Washington, D.C.
Fax # (202) 456-6703

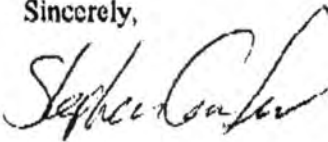
Dear Mr. President:

Linda Lader asked me to send you the attached statistics, which she thought might be helpful in preparing for tomorrow's meeting with religious leaders.

It was a great pleasure seeing you and the First Lady during your Martha's Vineyard vacation.

With warmest regards,

Sincerely,



Stephen L. Carter

The Columbian

Southern Washington's Largest Daily Newspaper

THE PRESIDENT HAS SEEN

Tom Koenninger
Vice President and Editor

Graw

9/21/94 Edif Board

701 W. 8th Street • P.O. Box 180, Vancouver, WA 98666
(206) 694-3391 and (503) 224-0654 • Home (206) 695-9012
Fax (206) 699-6033

Our Stake in Haiti Just Got a Lot Higher

By Lawrence Pezzullo

DESPITE the 11th-hour success of the peace-making mission headed by Jimmy Carter, the arrival of thousands of United States troops in Haiti since Monday represents the bitter fruits of diplomatic blundering by the Clinton Administration. Whether because of guilt, weakness or lack of rigor in carrying out its policies, the Administration has taken on the impossible burden of turning a country with no democratic traditions into a functioning democracy.

The quiet resignation on Friday of the United Nations special envoy for Haiti, Dante Caputo, represented a kind of punctuation mark to the Administration's hopeless diplomacy. Mr. Caputo has long held the view that the situation must be resolved by Haitians, not by military intervention.

The role of U.S. troops now, before the Rev. Jean-Bertrand Aristide returns to power, involves relatively little risk. But our soldiers, under orders not to intercede even when they see Haitian police beating pro-Aristide demonstrators, will find themselves in an increasingly difficult position. To prevent worse clashes, a multinational force to retrain and monitor the police is urgently needed.

The multinational negotiations that began soon after Father Aristide was overthrown in September 1991 were hampered by the unwillingness of the two protagonists to deal with each other. Lieut. Gen. Raoul Cédras, who emerged as Hai-

Lawrence Pezzullo, former Ambassador to Nicaragua and Uruguay, was the Administration's special adviser on Haiti from March 1993 to April 1994.

ti's de facto ruler, felt he could outlast the international pressure to restore the elected Government. Father Aristide, exiled to Washington, expected the United States to restore him to power on his terms.

The agreement signed at Governors Island in July 1993, which set a timetable for Father Aristide's return to power, contained two central elements: the transfer of power from the military to a democratic, constitutional government and the creation of a broad-based political coalition.

The Haitian Constitution of 1987, which balances executive power with Parliament's — essential in a country with a long history of abusive strong-

Seven ways to avoid a long, painful, pointless occupation.

men — requires that the President build a working majority in the legislature. It was precisely Father Aristide's estrangement from the elected Parliament, coupled with his chilly relationship with business leaders and the military, that led to his overthrow in 1991, just seven months after he took office.

Without a broader governing coalition and an operating majority in the Parliament, Father Aristide could face a repetition of the conflict that turned violent in 1991, or he could circumvent the Constitution by ruling by decree. In either case, the United States, with its troops on the ground in Haiti, would find itself in an untenable position.

By unwisely putting its own credibility on the line rather than keeping the pressure on the Haitian protagon-

ists to resolve the crisis on their own, the Administration has shouldered an obligation to sustain the return to democratic rule. That will require staying the course and ignoring the advice of those who argue for an early exit. Surely it would be wise for the U.S., with its multilateral partners, to stay in place through the presidential elections in January 1996.

To preserve the integrity of its policy, the Administration must insist that all Haitian parties, especially Father Aristide's, comply scrupulously in word and spirit with the 1987 Constitution. Further, the U.S. should insure that all members of Parliament elected in 1990 are protected and allowed to assemble as soon as possible in a secure environment.

When he resumes the presidency, it will be essential that Father Aristide cooperate with the Parliament on the following measures to build a truly democratic system:

- The early confirmation of a prime minister who can build and maintain a majority in the Parliament. This will require reaching out to political adversaries, who earlier this year showed a willingness to build such a majority.

- The nomination and confirmation of a new commander in chief to replace General Cédras. Haiti's Constitution allows the President to pick one from senior military officers. Some of the current group remain untainted by the coup and have clean human rights records.

- The enactment of an amnesty law, the specific details of which would be worked out between Parliament and the executive branch. The issue of whether General Cédras and other military commanders should be forced into exile must also be left to the Haitians themselves.

- The creation of an independent civilian police force, which was stipulated in the Governors Island agreement and is required under the Constitution. The U.S. and Canada have already pledged to assist in their training.

- The confirmation of a new civilian police chief.

- The enactment of legislation requiring that all paramilitary gangs be disarmed.

- The establishment of a bipartisan electoral commission to organize and oversee the parliamentary elections scheduled for this winter and the presidential elections next year.

The Clinton Administration must recognize that a failure to insure that Haitians work together and compromise to resolve their own political difficulties will not only compound the tragedy of that troubled country but also involve the U.S. in a painful and pointless occupation. Only a very carefully calibrated policy will guard against Haiti's slipping from military dictatorship under General Cédras to populist authoritarianism under Father Aristide, presided over by a U.S. praetorian guard. □

THE NEW YORK TIMES, WEDNESDAY, SEPTEMBER 21, 1994

Donny Sandy

Some secret ideas

B.

THE WHITE HOUSE
WASHINGTON

94 SEP 14 P2:16

September 14, 1994

RECOMMENDED TELEPHONE CALL

TO: CT State Comptroller Bill Curry

DATE: September 14, 1994 (or at earliest convenience)

RECOMMENDED BY: Joan Baggett, Political Affairs
Reta J. Lewis, Political Affairs

PURPOSE: To congratulate Bill Curry on his September 14th Democratic primary victory in Connecticut's gubernatorial race.

CONTACT 203/586-8984 (contact is Betsy O'Neil)

BACKGROUND: In a surprising upset, Billy Curry defeated state Representative John Larson for the Democratic nomination in the gubernatorial race, 55 percent to 45 percent. Recent polls had shown Larson leading Curry by large margins, with more than \$500,000 in television ads on the air in the last several weeks. Larson had received the endorsement of the Connecticut Democratic Party Convention. In his concession speech to his supporters last night, Larson endorsed Curry in the general election race.

Curry will face former U.S. Representative John Rowland in the November race. Rowland defeated Secretary of State Pauline Kezer in the GOP primary, 68 percent to 32 percent.

ACTION:

*Need letter
to Larson too*

THE PRESIDENT HAS SEEN 9/21

THE WHITE HOUSE
WASHINGTON

94 SEP 14 P2:16

September 14, 1994

RECOMMENDED TELEPHONE CALL

TO: Prince Georges County Executive Parris Glendening

DATE: September 14, 1994 (or at earliest convenience)

RECOMMENDED BY: Joan Baggett, Political Affairs
Reta J. Lewis, Political Affairs

PURPOSE: To congratulate Parris Glendening on his September 14th Democratic primary victory in Maryland's gubernatorial race.

CONTACT 301/277-5582 (HQ)
410/467-1299 (HQ - contact is Betsy O'Neil)

BACKGROUND: In a hotly contested race, Prince Georges County Executive Parris Glendening won the Democratic gubernatorial primary with 53 percent of the vote. State Senator American Joe Miedudiewski received 18 percent, Lt. Governor Mel Steinberg received 15 percent, and state Senator Mary Boergers followed with nine percent. Attorney Kathleen Kennedy Townsend is Glendening's running mate for Lt. Governor.

Need
info
on them

Glendening will face state House Minority Leader Ellen Sauerbray in the general election. In a surprising upset, Sauerbray defeated U.S. Representative Helen Delich Bentley for the GOP nomination, 52 percent to 38 percent.

ACTION:

Politics of faith need not lean right

By CHRIS SATULLO

Things fall apart, the center
cannot hold
The best lack all conviction, while
the worst
Are full of passionate intensity.

— William Butler Yeats
"The Second Coming"

And you thought Ireland was
bad, Willie.

You should see America as it
stumbles through what's becoming
one of the meanest of political seasons.

Passionate intensity washes over
the land, or at least the AM radio
dial. The attack politics of Oliver
North, Pat Buchanan and the Christian
Coalition are met by a terrified
counterattack from the left.

It is the hour of the evangelical
activists. They are ready and eager
— after years of feeling abused by
the godless, elitist media — to push
their claim that the United States is a
Christian nation where the Bible is
as binding as the Constitution.

This has put even such a cool political
customer as Arlen Specter into a tizzy, as the
Pennsylvania Republican senator scrambles to
find some firm ground where he can throw up a
"big tent" to shelter the much-abused center.

As a God-fearing Christian, I'm just annoyed as
hell at this.

Annoyed at the hypocritically short memories of
agnostic liberals, with their tiresome chant about
how scary they find these "zealots" who want to
"impose their morality on others."

Annoyed at the corrosive rhetoric of the leading
spokesmen of the Christian right, and the cramped
version of the Gospel they proclaim as divine en-
dorsement for their uncharitable agenda.

And annoyed at the lack of conviction shown by
Christians whose politics have been shaped very
differently by the Gospel, at the uneasy, timid
silence with which we've watched this damaging
firefight. Instead of wincing, we ought to be loudly
affirming that a politics shaped by faith needn't be
unconstitutional or intolerant.

So, before the term Christian liberal is officially
declared an oxymoron, permit this one to bear
witness with a little passionate intensity of his own.

First, some harsh words among friends. To those
liberals who find God-talk in the public square
odious when the topic is abortion, homosexuality or
values education: Drop the double standard, will
you?

Faith-based activism was just fine with you
when it happened to align with your creed, when
it worked for civil rights and the nuclear freeze,
or against the war in Vietnam. To you, Scripture-
drenched rhetoric that vowed opposition to le-
gally sanctioned evil seemed moving when it came
from the Rev. Dr. Martin Luther King Jr. But now,
when it comes from those who abhor abortion,
you cry "Fanatics at the gates!"

Remember, you only fear the things you don't
understand.



PenTip International Features / PAUL KOLSTI

As Stephen L. Carter observes so pungently in
The Culture of Disbelief, you piously uphold the
faithful's right to their faith, but only so long as
they are rational about it, so long as they treat it
"like building model airplanes, just another
hobby; something quiet, something private, some-
thing trivial," not as what it is: the centering
principle of their lives.

You'll allow them their quirk as long as they
don't insist on leaving room in the universe for
mystery and miracle; as long as they tastefully
check their faith at the door when they come to
the table to talk seriously about things that matter.

Otherwise, you accuse them of "imposing their
morality."

My friends, that is one tired shtick.
Democracy is precisely about persuading
enough people to share your moral vision so that
you can make it the community's norm.

After all, we all imposed upon Jeffrey Dahmer
our morality that it's not OK to kill people and eat
them. The other impositions differ in degree, not
kind. The Pentagon budget imposes on us the
morality that violence in defense of country is
just; Medicaid imposes the morality that the com-
fortable are responsible for the health of the poor.

Try as we might to pretend otherwise, most
issues that arouse us do so because they engage
our moral vision. Liberals tend to dwell on the
demands of public morality — what society should
do because it's right. That doesn't make them any
less moralists than the conservatives who dwell
on the requirements of private morality — what
individuals shouldn't do because it's wrong.

Which, by a round turn, brings us to the reli-
gious right, which is so cocksure about what
individuals shouldn't be allowed to do.

To distance myself from the rhetorical clutter, a
few affirmations. Activism by evangelical Chris-
tians is not scary, unless you consider democracy

itself scary. That they are fervent about their faith
does not make them fanatics; it does often make
them swell folks to have living next door —
caring, decent people.

That said, I'm still mystified by the political con-
clusions these folks draw from reading the same
Bible, the same Gospels I do, by the vengeful anger
that seems to crackle beneath their activism.

While trying not to fall into the fault I find in them
— whipping up an ersatz, un-Biblical Jesus to sanctify
their political biases — let me list some traits of
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The ones known as the Pharisees.

Chris Satullo is deputy editor of the Editorial Page.

Cuba can be brought back without tearing it apart

By FRIDA GHITIS

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From the 1960s onward, Fidel Castro's communist Cuba was at the heart of that debate. Only 90 miles from American shores, it was a demonstration of communism in action. Its people — once just as poor, if not poorer, than those of any Latin American country — were hungry no more. High-quality health care was available to all, as was day care, and higher education. Virtually all Cubans could read.

For some, Castro's Cuba was an enticing model, though it relied on massive Soviet aid and deprived Cubans of many of their basic rights. They could not freely say what they thought; they could not oppose their government openly and property owners were dispossessed.

For the United States, of course, Cuba was anathema — a Soviet client state that brazenly exported revolution throughout the region. A potential base for Soviet troops and weapons that nearly triggered nuclear war during the missile crisis of 1962.

An American economic embargo sought to bring it to its knees.

The debate is now over. Capitalism won. While Castro is still revered by some as a man who sought to improve the lives of his people, his communist experiment has failed ignominiously. The Soviet Union, which generously subsidized Cuba in the face of the U.S. embargo and was Cuba's largest trading partner, disintegrated. Cuba's economy, lacking Soviet oil, collapsed and its agricultural production plummeted. Its malnourished

citizens, fed up with severe rationing, reduced to moving about on bicycles, began fleeing in crude rafts to Florida.

Cuba is no longer a beacon to anyone in the rest of the hemisphere. No one wants to emulate it.

So why is the United States still clinging today to its Cold War-era policies regarding Cuba even as the country crumbles?

By continuing its embargo, the United States is letting a group of reactionary, but politically influential, Cuban exiles in Florida dictate its policy. It is guaranteeing that the Cuban people's suffering will become ever more acute, and it is bringing on

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itself the massive wave of refugees washing up on its shores and crowding the naval base at Guantanamo.

It is also creating immense problems for any government that succeeds Castro and must seek to resuscitate the economy while preserving the worthwhile parts of the education and health system. And what kind of government will it be? If Castro is overthrown in a coup or civil war, will the new leaders embrace democratic reforms? Will it be a government that will look favorably to the United States?

Now is the time to engage Cuba in negotiations. Instead of spending \$100 million to set up tent cities, and \$20 million a month to run the refugee camps at Guantanamo, it could offer assistance to Cuba in exchange for reform.

Cuba could emerge from its decades of Marxism without being totally destroyed. The United States could help prevent bloodshed and spare the people of Cuba what could be years of suffering.

In the end, perhaps a new Cuba could become a model for Latin American capitalism: a country where poor children don't have to beg for food. A place where everybody receives a good education. A democratic nation of equality, where American tourists can vacation, and businesses can prosper.

Frida Ghitis, a television producer and writer in Atlanta, frequently writes about affairs in the Caribbean.

Politics of faith need not lean right

By **CHRIS SATULLO**

Things fall apart; the center
cannot hold.
The best lack all conviction, while
the worst
Are full of passionate intensity.
— William Butler Yeats
"The Second Coming"

And you thought Ireland was
bad, Willie.

You should see America as it
stumbles through what's becoming
one of the meanest of political seasons.
Passionate intensity washes over
the land, or at least the AM radio
dial. The attack politics of Oliver
North, Pat Buchanan and the Chris-
tian Coalition are met by a terrified
counterattack from the left.

It is the hour of the evangelical
activists. They are ready and eager
— after years of feeling abused by
the godless, elitist media — to push
their claim that the United States is a
Christian nation where the Bible is
as binding as the Constitution.

This has put even such a cool polit-
ical customer as Arlen Specter into a tizzy, as the
Pennsylvania Republican senator scrambles to
find some firm ground where he can throw up a
"big tent" to shelter the much-abused center.

As a God-fearing Christian, I'm just annoyed as
hell at all this.

Annoyed at the hypocritically short memories of
agnostic liberals, with their tiresome chant about
how scary they find these "zealots" who want to
"impose their morality on others."

Annoyed at the corrosive rhetoric of the leading
spokesmen of the Christian right, and the cramped
version of the Gospel they proclaim as divine en-
dorsement for their uncharitable agenda.

And annoyed at the lack of conviction shown by
Christians whose politics have been shaped very
differently by the Gospel, at the uneasy, timid
silence with which we've watched this damaging
firefight. Instead of wincing, we ought to be loudly
affirming that a politics shaped by faith needn't be
unconstitutional or intolerant.

So, before the term Christian liberal is officially
declared an oxymoron, permit this one to bear
witness with a little passionate intensity of his own.

First, some harsh words among friends. To those
liberals who find God-talk in the public square
odious when the topic is abortion, homosexuality or
values education: Drop the double standard, will
you?

Faith-based activism was just fine with you
when it happened to align with your creed, when it
worked for civil rights and the nuclear freeze,
or against the war in Vietnam. To you, Scripture-
drenched rhetoric that vowed opposition to leg-
ally sanctioned evil seemed moving when it came
from the Rev. Dr. Martin Luther King Jr. But now,
when it comes from those who abhor abortion,
you cry "Fanatics at the gates!"

Remember, you only fear the things you don't
understand.



PenTip International Features / PAUL KOLSTI

As Stephen L. Carter observes so pungently in
The Culture of Disbelief, you piously uphold the
faithful's right to their faith, but only so long as
they are rational about it, so long as they treat it
"like building model airplanes, just another
hobby; something quiet, something private, some-
thing trivial," not as what it is: the centering
principle of their lives.

You'll allow them their quirk as long as they
don't insist on leaving room in the universe for
mystery and miracle; as long as they tastefully
check their faith at the door when they come to
the table to talk seriously about things that matter.

Otherwise, you accuse them of "imposing their
morality."

My friends, that is one tired shuck.
Democracy is precisely about persuading
enough people to share your moral vision so that
you can make it the community's norm.

After all, we all imposed upon Jeffrey Dahmer
our morality that it's not OK to kill people and eat
them. The other impositions differ in degree, not
kind. The Pentagon budget imposes on us the
morality that violence in defense of country is
just; Medicaid imposes the morality that the com-
fortable are responsible for the health of the poor.

Try as we might to pretend otherwise, most
issues that arouse us do so because they engage
our moral vision. Liberals tend to dwell on the
demands of public morality — what society should
do because it's right. That doesn't make them any
less moralists than the conservatives who dwell
on the requirements of private morality — what
individuals shouldn't do because it's wrong.

Which, by a round turn, brings us to the reli-
gious right, which is so cocksure about what
individuals shouldn't be allowed to do.

To distance myself from the rhetorical clutter, a
few affirmations. Activism by evangelical Chris-
tians is not scary, unless you consider democracy

itself scary. That they are fervent about their faith
does not make them fanatics; it does often make
them swell folks to have living next door —
caring, decent people.

That said, I'm still mystified by the political con-
clusions these folks draw from reading the same
Bible, the same Gospels I do, by the vengeful anger
that seems to crackle beneath their activism.

While trying not to fall into the fault I find in them
— whipping up an ersatz, un-Biblical Jesus to sanctify
their political biases — let me list some traits of
the man whose ministry is described in the Gospels
which, it seems to me, ought to inform the political
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'Tucker's list' is a stall report

HHS Approves Oregon Welfare Project

Test Program to Subsidize Employers That Hire AFDC Recipients

By Spencer Rich
Washington Post Staff Writer

The federal government has approved a welfare experiment subsidizing Oregon employers to hire welfare clients at the state minimum wage or better so they can get on-the-job experience and get off welfare, Secretary of Health and Human Services Donna E. Shalala announced yesterday.

Under the program, known as JOBS Plus, parents in six Oregon counties who are on the federal-state Aid to Families with Dependent Children (AFDC) program would be hired at \$4.75 an hour or more to work for six to nine months each on the subsidized jobs, which will include positions at firms that have expressed an interest in participating: banks, manufacturing, plumbing, wood-products companies and electronics companies. Recipients' salaries will come from funds previously used for AFDC welfare benefits and from additional state funds.

The aim of the state-designed project is to give AFDC recipients direct work experience that may pay off in a permanent job after the subsidies end, or may result in a non-subsidized job elsewhere. Over the five-year life of the program, as many as 5,000 people could be enrolled.

The program is the 17th experimental state welfare program approved by HHS since January 1993 with the aim of reducing the welfare rolls, but it contains some unusual features not found in most of the other pilot projects.

For one thing, while many of the welfare experiments have included training programs in reading, arithmetic and job skills as a precursor to seeking a job, the Oregon experiment does not. The participant goes straight to work.

While on the job, the welfare client is paid the state minimum wage or more, and is eligible for the supplemental federal payments to the working poor called the earned income tax credit, which would in effect raise the actual wage to more than \$6 an hour. Another difference is that participants would lose their right to get food stamps while on the subsidized job. Instead, the state would make extra cash payments to any individuals whose income from the job is less than the previous value of their welfare payments and food stamps combined. However, the right to Medicaid would continue.

KEY FEATURES OF STATE EXPERIMENTS

Under Section 1115 of the Social Security Act, HHS is authorized to grant state waivers of current laws governing the AFDC and Medicaid programs. Since January 1993 HHS has approved welfare demonstration projects in Arkansas, California, Colorado, Connecticut, Florida, Georgia, Hawaii, Illinois, Iowa, North Dakota, Oklahoma, South Dakota, Vermont, Virginia, Wisconsin and Wyoming. Among the key features:

■ **ARKANSAS**—AFDC parents age 16 or younger will be required to attend school or an alternative educational program regularly or face reductions in benefits. AFDC benefits will not go up with additional children.

■ **CALIFORNIA**—The state will pay teenage AFDC parents a \$100 cash bonus for maintaining a C average and \$500 for ultimately graduating from high school. Teenage parents who fail to maintain a D average can have their AFDC payments reduced by up to \$50 a month for two months. AFDC families also will be allowed to accumulate \$2,000 in assets and have \$4,500 equity in a car and \$5,000 in savings to be used to purchase a home, start a business or finance a child's post-secondary education or training.

■ **COLORADO**—After receiving AFDC benefits for two years, parents who are able to work or participate in a training program must do so or lose benefits. The program will "cash out" food stamps; i.e., count the value of the coupons in the monthly AFDC payment. Participants will be encouraged to work through a new formula that enables them to keep more of the money they earn, and they can own a car, regardless of its value or their equity in it.

■ **VIRGINIA**—Will identify employers who commit to hire AFDC recipients for jobs paying between \$15,000 and \$18,000 a year. Provides additional months of transitional child care and health care benefits. A second statewide project will enable AFDC families to save up to \$5,000 for education or home purchases and allow full-time high school students to continue to receive AFDC benefits until age 21. In four counties, AFDC recipients who leave welfare for work may be eligible for transitional child and health care benefits for 24 more months.

■ **WISCONSIN**—Will require that most AFDC recipients either work or look for jobs or lose benefits. The plan provides case management, employment activities and work experience to facilitate employment. AFDC benefits will be limited to 24 months in a four-year period, except if there are no appropriate jobs in the local area. When benefits are exhausted, recipients become ineligible for 36 months.

SOURCE: HHS

The new employer is required to provide a "mentor" on the the job to help the subsidized employee learn the ropes.

In addition, the employer must contribute \$1 an hour to a state fund that will help the subsidized person pay for education and training at a state college or community college after he or she obtains a non-subsidized job later.

Rep. Ron Wyden (D-Ore.), whose district includes one of the six participating counties, and who strongly championed the experiment with HHS, predicted that with both welfare reform and health reform stalled at the federal level, "you will be seeing a strong acceleration of state efforts to solve these problems."

The Center on Budget and Policy Priorities, a group that studies food and welfare programs, objected to eliminating food stamps for people in the experiment. The group said it could lead to inequality between workers who were not formerly on welfare and earned \$4.75 and did get food stamps, and former welfare clients who simply earned \$4.75 and got no food stamps and no supplement. A spokesman also said that a large measure of the public support for food stamps comes from public sentiment in favor of adequate nutrition. The link between food stamps and nutrition could be cut if states started substituting cash for stamps, the group said.

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9/23/94

United States Senate

COMMITTEE ON ARMED SERVICES
 WASHINGTON, DC 20510-6080

94 SEP 22 P5:33

September 22, 1994

MEMORANDUM

TO: The President

FROM: Sam Nunn

SUBJECT: Role of "The Center for Democracy" in Working with the Haitian Parliament

The Haitian parliament is going to play a key role -- for better or for worse -- in the future of democracy in Haiti. I strongly recommend that you utilize The Center for Democracy, a non-profit organization located here in Washington, in working with the Haitian parliament on its current problems and tasks, on the upcoming parliamentary elections, and on the parliament's subsequent role in the Haitian government.

I have drawn on the expertise of the Center, regarding Haiti as well as other matters, for several years and have no reservation in commending the Center to you. Its President, Allen Weinstein, and its Haiti specialist, Caleb McCarey, have worked extensively with all factions of the Haitian parliament and with the Haitian private sector since August 1991, under contract with AID. When U.S. assistance to Haiti was suspended in October of 1991, the Center continued its work there, in coordination with the UN and the U.S. Embassy, using private funding.

I believe the Center for Democracy has the expertise and experience to make a major contribution to fostering democracy in Haiti. I know that Allen Weinstein and his colleagues are fully prepared to devote themselves to such an undertaking. I hope you will ask them to do so.

The Center's address is 1101 15th Street, N.W., Suite 505, Washington, D.C. 20005. The phone number is (202) 429-9141, and the fax number is (202) 293-1768.

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Health Care Reform in Congress?

BY ABIGAIL TRAFFORD AND SPENCER RICH

All across Washington, in doctors' offices and people's family rooms, in hideaways on Capitol Hill and think-tank conference rooms, the political diagnosis is sinking in: National health care reform legislation for this year is in terminal condition.

As the shock wave rolls through the health care community—for some, it's a victory; for others, a defeat—the discussion of how to fix the problems of the country's patchwork health care system has shifted. Just last week, at George Washington University's Intergovernmental Health Policy Project, director Richard Merritt asked his staff to do an about-face. Instead of analyzing medical trends in light of major health reform legislation, the researchers are now studying what will happen in the event of no reform or very modest legislation.

But just as it was said of the death of kings in times past, it can also be said of the current health care political debacle: *Reform is Dead—Long Live Reform.*

"I don't see this going away," says Deborah Steelman, former adviser to President Bush on Social Security and health care.

Steven A. Schroeder of the Robert Wood Johnson Foundation agrees: "The access problem doesn't get better. You still have the number of uninsured. You still have the insecurity of losing coverage."

"You can run, but you can't hide," adds Drew E. Altman, president of the Henry J. Kaiser Family Foundation. "We failed in an historic attempt to deal with health care reform in a sweeping way. Now we'll deal with it in an incremental way."

Over the few remaining weeks of this congressional session, Americans will be watching lawmakers to see if some small pieces of health legislation can be enacted from the wreckage of the Grand Plan that had been proposed by President Clinton and his standard bearers in Congress.

But whether reform legislation is possible this year or next—or doesn't surface until the end of the decade—the following principles are likely to dominate the debate.

■ ■ ■

First, Do No Harm. This cornerstone principle of medical practice has become a badge of honor for those who are ready to bury health care legislation for this year. They believe that time has run out on crafting a solid bill.

Resistance on the basis of do-no-harm to even a modest plan comes from both the right and left of the political spectrum. Sen. Phil Gramm (R-Tex.) has attacked the so-called mainstream bipartisan proposal in the Senate as "more mainstream Washington" than "mainstream America." GOP national

chairman Haley Barbour has declared that it would be better to do nothing now than pass a last-minute compromise. To William Kristol, chairman of the Project for the Republican Future and former adviser to Vice President Dan Quayle, "the best of health-care Clintonism" dressed up as "innocuous incrementalism . . . still deserves to die."

Leaders on the left are just as adamant. Rep. Jim McDermott (D-Wash.), who heads a group that favors a Canadian-style, "single-payer," government-financed system, has argued for junking all the modest proposals and starting over in the next Congress. Similar sentiments have been voiced by such ardent advocates of major reform as Rep. Fortney "Pete" Stark (D-Calif.) and Sen. Paul Wellstone (D-Minn.).

Policy analysts at Consumers Union, an advocacy group that favors national health insurance, have lambasted incremental plans for raising insurance premiums for many middle-class families and continuing to imprison poor families in what they call "poverty lock"—the situation in which people cannot earn above a certain income or else they lose government benefits that help provide health coverage. As Consumers Union's legislative counsel Robert Carolla says: "If you can't do it right, I don't know whether it's worth it."

Behind the medical principle of "first, do no harm" is the realization that many illnesses such as the common cold take care of themselves without major intervention by physicians. Some reform critics argue that the same is true of the health care system. They point out that with the dramatic changes that have occurred in the past few years, the medical marketplace is to some degree taking care of itself.

The changes go by the name of "managed care." In this type of care, people belong to health maintenance organizations or plans with a specific network of medical facilities. Their treatments are monitored, and their choices of physician and hospital may be limited. The shift to managed care has resulted in a shakedown of the medical industry, with some hospitals closing or merging with other facilities. Some high-priced specialists are finding it harder to fill their appointment books or are being forced to take smaller fees, while nurses in many hospitals are facing cutbacks.

Just as the debate over national health reform heated up, the rapid rise in medical costs slowed. What's more, once the economy started to grow again, fewer people feared that they would lose their jobs—and thus their health insurance.

The urgency for legislation stalled, and lawmakers have not come back from their August recess with a mandate for action. "The people I've talked to said they weren't getting any pressure from their constituents to do anything," says Democrat Stark.

Nevertheless, the medical principle of do-no-harm does not always mean do nothing

for a patient, even when signs and symptoms of illness seem faint. In fact, doing nothing can be fatal, as proponents of reform are quick to point out.

"The vacuum created by Congress is going to be filled by an entrepreneurism that is more interested in profits than patients," says James S. Todd, executive vice president of the American Medical Association. "With the consolidation of the marketplace, with the giant insurance companies taking over, patients suddenly become pawns in this great competitive health care system."

Without any legislation, the consensus is that the burden will continue to fall on the chronically ill, the uninsured and those with inadequate coverage—and the hospitals and doctors who treat them. Fewer people will get insurance through their jobs. The percentage of those under 65 who have job-based coverage has already dropped from 65.4 percent in 1989 to 62.5 percent in 1992, according to William S. Custer of the Employee Benefit Research Institute (EBRI). People without insurance will find it harder to get "free" care from private facilities. Hospital emergency rooms will continue to see patients who have put off treatment until a crisis arises.

"The only way to make a health system work is to have the greatest number of people in it," Todd continues. "If you don't approach universal coverage, you have cost shifting, uncompensated care and delayed care."

■ ■ ■

A Small Step for Congress, a Giant Leap for Americans. Under this scenario, even a modest proposal is significant. As Altman says: "Incremental does not mean unimportant."

Circulating in these last weeks of Congress are a number of proposals for a scaled-down bipartisan bill. Foremost is the Senate measure put together by the "mainstream coalition" headed by Sen. John Chafee (R-R.I.) working with such senators as John Breaux (D-La.), Dave Durenberger (R-Minn.) and Kent Conrad (D-N.D.).

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Such a consensus bill would overhaul the rules for the sale of health insurance to make it easier for individuals and small businesses to obtain coverage at reasonable prices. It would also provide federal subsidies each year to help low-income people to buy private health insurance policies. Depending on the funding, a bill of this type might eventually provide coverage for 15 million to 20 million people—about half of those who now lack coverage.

If insurance reforms were enacted, people could not be refused coverage because of their health status or age. They could carry their coverage from job to job. Variations in the price of premiums based on health status would be eliminated and variations based on age sharply reduced. Insurers' ability to deny care for a "preexisting condition"—insurance parlance for having a health problem such as diabetes or cancer—would be limited to six months after a person obtained insurance for the first time or after a long period without insurance.

"It is, in fact, a good beginning," says phy-

dren in families earning up to \$60,000 a year.

The biggest enemy of incremental legislation in this Congress is the clock. "The language [of a bill] is important because of unintended effects," says health care analyst Gail R. Wilensky, who headed the Medicare and Medicaid programs in the Bush administration. "If incremental reform includes major subsidies, where is the money coming from? Until we make some fundamental decisions, it's silly talk."

Many lawmakers also remember the bruising experience in 1988 of passing a so-called modest bill providing coverage of catastrophic medical expenses for the elderly—only to have it ignominiously repealed after many beneficiaries raised strong protests about the cost. "If you do something small and it blows up in your face, it's catastrophic revisited," says reform advocate Rep. Ron Wyden (D-Ore.), a political lesson lodged "up front in the cranial lobes."

At the same time, even if the incremental

care and suffer severe financial losses due to uncovered medical expenses.

■ ■ ■

On the Road Again. As health reform founders in Washington, legislative action hits the road and shifts back to the states where a number of experimental programs are underway.

Most states put their initiatives on hold when President Clinton made enactment of a national plan a priority of his presidency. Now the green light is blinking for the states, and the administration has signaled its willingness to support state plans.

Almost all states have started with reforms of the insurance marketplace to make it easier for small businesses and individuals to purchase coverage. A dozen states are trying out some form of health alliance—a kind of health insurance buying club for people to get better prices for policies.

Florida, Tennessee, Hawaii and Oregon all have federal permission to design very different state programs for their Medicaid and uninsured populations. Hawaii already requires employers to provide coverage for their workers.

In California, residents will vote on whether to take steps toward a state-wide, government-run "single-payer" system similar to national health programs in Canada and Europe.

"If we can have six to eight states developing their own models of how to provide universal coverage and contain costs, then we don't have to look to Canada or Great Britain on how to design our own system," says Merritt of George Washington University's Intergovernmental Health Policy Project, which recently published a report profiling health reform changes in all 50 states.

Four states—New York, New Jersey, Vermont and Maine—now require insurers to offer coverage at the same price to all individuals and small firms within a given area, using the insurance technique known as community rating. With the exception of New York, the insurance reforms were phased in over several years. "That's the way to go," says Kala Ladenheim, one of the George Washington University report's authors. "You don't want to drop off the cliff."

In New York, where the new system for selling insurance went into effect in April 1993, the results have been mixed. Some younger people tended to drop their individual policies because they suffered sharp premium increases when their plans enrolled sick and older people who had been excluded before.

But states can go only so far in promulgating reforms. A major obstacle is a 1974 federal law called ERISA that exempts firms that insure themselves from state regulations. Virtually all large companies and many smaller firms with 100 or more employees take this route and can therefore opt out of any state reform program.

State experimentation also creates a fu-

See REFORM, Page 14

"We failed in an historic attempt to deal with health care reform in a sweeping way. Now we'll deal with it in an incremental way."

—Drew E. Altman
President, Kaiser Family Foundation

sician David Satcher, the director of the federal Centers for Disease Control and Prevention who was also a member of the White House task force on health care reform and is a former president of Meharry Medical College in Nashville. "It would not allow insurance companies to drop people. It would provide subsidies. It would not get to universal access, but it would get more people in the system. Anything that begins to put us in the right direction would be better than nothing."

Another approach is to design a kids-first program for people under 18. Medicaid requires states to cover many low-income children but not all. Among the proposals being readied for Congress is a limited program to expand subsidies to all children in families whose incomes are under 200 percent of the poverty line—about \$30,000 a year for a family of four. Proponents expect that it would cover an additional 3.5 million children. "It extends the safety net. You can do it inexpensively," says EBRI's Custer.

Some versions are more ambitious, seeking a new program that would cover all chil-

approach fails in this Congress, it may gain credence in the next sessions of Congress. Depending on the makeup of the two houses—and the signals from the White House—lawmakers may deliberately seek to enact health care reform legislation, piece by piece, rather than tackle a whole gigantic plan at one time.

As Steelman puts it: "Instead of a whole meal, the [Senate] Labor Committee will do vegetables, the [Senate] Finance Committee mashed potatoes. It will make life hell for people on the outside."

The result, incrementalists argue, would be that piecemeal legislation over several years could achieve many of the same goals as the Clinton Grand Plan. Take the concept of a federal program for children. Rather than a token, points out Altman, "universal coverage for children would represent the most significant health legislation since Medicare."

But the major losers of a go-slow approach are the 38.5 million Americans who currently lack insurance and many of the chronically ill who already have trouble getting adequate



BY MARILYN MOON

313

REFORM, From Page 13

turistic scenario of 50 separate health-care kingdoms, with conflicting rules and practices. The prospect engenders strong opposition from large national corporations, unions and many in the health care community. "I don't think anybody is enthusiastic about the Balkanization of health care in this country," says Steelman.

"Whatever the states do, it will not be uniform enough," adds Custer. "Eventually, [members of Congress] are going to have to address this on a federal level. There is a great deal of burn-out at this particular moment, but the problems that brought us to this debate will not go away."

Meanwhile, the health policy crusaders who came to Washington to enact sweeping legislation are licking their wounds—and planning for the next time.

"First, it's going to be vitally important that our political leaders be more forthright about how much it will cost," says Altman of the Kaiser foundation. "How can you pay for health reform in a no-new-taxes/no-new-mandates environment? The answer is you can't."

In Altman's view, the public is grappling with two monsters in health care reform: The first is "Big Government." The second is the medical marketplace as the trends toward managed care roll across the country. This time around, the public has "been preoccupied with the wrong monster, the government monster," says Altman. The next time, the public may turn to the marketplace monster.

"I think we were ahead of the times," says psychiatrist Sue Bailey, deputy assistant secretary of defense, who has campaigned for a Clinton-style health care plan for the Democratic Party. "Until the problem hits home, it's hard to convince the nation to make changes of this magnitude. Unless you work in the [health care] system or you've gotten sick, you don't know if you're well covered or not."

"But in the future, when people do have a problem in their family, they'll remember—who tried? Who put the issue on the table? Bill Clinton. I still think it can be used to our political advantage."

Health Reform And You

Q. My husband and I don't have Medicare A and B coverage along with supplemental coverage under the Federal Employees Health Benefit Plan. Do the reform plans by Sen. George Mitchell (D-Maine) and Rep. Richard Gephardt (D-Mo.) provide for continuation of such supplemental coverage? And would insurers be allowed to charge older retirees higher rates for such supplemental coverage or for any other type of "medigap" coverage?

A. Both the Mitchell and Gephardt proposals would leave intact the commitments of FEHBP for retirees, so you would see little change in your coverage or benefits if one of these bills passed or if compromise legislation based on these bills passed. Both of these proposals do have provisions to tax private insurance, however, to help pay for the costs of educating medical students and other provisions of the legislation. As a consequence, your premium might rise slightly but by no more than 2 percent and perhaps less.

Q. I was wondering about the proposal for Medicare Part C to cover self-employed people, part-time workers and the unemployed. Could anyone get in that? Would they pay 20 percent of the cost no matter what their financial condition or might they have to pay more?

A. The Gephardt bill limits eligibility for Medicare Part C to the self-employed, part-time workers or those who are not working. In addition, employers with fewer than 100 workers could enroll their employees in Medicare Part C. What people would pay depends on their work status and income level. A self-employed or unemployed person enrolling in Medicare Part C would have to pay the full costs of the insurance premium, unless he or she had very low income and qualified for a subsidy. For example, if the self-employed person was married and without children, the couple would receive help in paying the costs of the premium only if their income was below about \$20,000 per year. Employers of part-time workers would have to contribute part of the costs of the insurance—depending on how many hours the employees worked. The individual employee would then be responsible for the remaining cost of the premium unless he qualified for low-income subsidies. All of these families would, however, be eligible for income tax deductions on any amount that they have to pay above about 20 percent of the costs of their insurance premiums.

THE WASHINGTON POST TUESDAY, SEPTEMBER 20, 1994

The Washington Post free telephone information service takes questions about health care reform. Call POSTHASTE at 202-334-9000 on a touch-tone phone and enter category code 8500 (in Prince William County, 703-690-4110). Economist Marilyn Moon of the Urban Institute provides answers in this column. Questions cannot be answered individually.