

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. memo	re: Recommended Telephone Call [partial] (1 page)	11/30/1994	b(6)

COLLECTION:

Clinton Presidential Records
Staff Secretary
John Podesta (Chron Files)
OA/Box Number: 4892

FOLDER TITLE:

December 4-10, 1994

2018-0662-S

rs3113

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

THE WHITE HOUSE

WASHINGTON

December 8, 1994

I am pleased to welcome each of the respected private sector and congressional leaders joining Secretary of Commerce Ron Brown as members of the Presidential Business Development Mission to Northern Ireland and Ireland. Your participation on this mission to the International Investment Conference in Northern Ireland, hosted by Prime Minister John Major on December 13 and 14 in Belfast, underscores the U.S. commitment to supporting peace and reconciliation in Northern Ireland through economic growth initiatives and increased bilateral commercial cooperation.

The United States attaches special importance to the search for peace in Northern Ireland. Our close bonds of history, culture, and tradition with both Ireland and the United Kingdom provide us with a unique role. I have pledged to do what I can to encourage a peace in Northern Ireland that will allow American firms to enhance and advance the already strong business, trade, political, and cultural links enjoyed with Northern Ireland and Ireland. To this end, the United States will move forward with several initiatives in the coming months to increase our support for the political and economic revitalization of Northern Ireland and the border counties of Ireland.

As part of this mission, I have asked Secretary Brown, as leader of the U.S. delegation to the Belfast International Investment Conference, to identify new, concrete opportunities for increased business ties between Northern Ireland and the United States. Secretary Brown's trip will help to prepare the groundwork for the White House Conference for Trade and Investment in Ireland, which I will have the pleasure to host next April in Philadelphia. At my direction, the Commerce Department is moving forward with programs to encourage U.S. private sector participation in Northern Ireland, including: establishing a Business Information Center at Commerce to provide "one-stop shopping" for U.S. firms interested in doing business in the region; enhancing United States-Northern Ireland science and technology cooperation; initiating a business intern training program to bring managers and business technical experts to train with U.S. companies; and encouraging the collaboration of marketing and promotion efforts of tourism services among the United States, the United Kingdom, and Ireland.

Economic growth and partnerships will assist greatly in creating the atmosphere most conducive to long-term peace and stability in the region and to global economic security. As members of this Presidential Mission, your efforts to strengthen our historic ties and to forge new, viable commercial relationships with Northern Ireland and Ireland are especially important. Thank you for participating. I am confident this will be a significant milestone in the effort to support a new era of peace and economic opportunity in the region.

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

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. memo	re: Recommended Telephone Call [partial] (1 page)	11/30/1994	b(6)

COLLECTION:

Clinton Presidential Records
Staff Secretary
John Podesta (Chron Files)
OA/Box Number: 4892

FOLDER TITLE:

December 4-10, 1994

2018-0662-S

rs3113

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

12-8-94
note from
Kelly Crawford

THE WHITE HOUSE
WASHINGTON

94 NOV 30 P 6: 27

November 30, 1994

Potus
met
cc Baggett

RECOMMENDED TELEPHONE CALL

TO: Joe Keefe, Chairman, New Hampshire Democratic Party
(Law Office) 603/669-8080
(Party Headquarters) 603/225-6899
(Home) 603/641-9495

DATE: Before December 7th, when Keefe will be in Washington for the State Chairs meeting.

RECOMMENDED BY: Joan Baggett and Linda Moore, Political Affairs
(also by John Broderick, Terry Shumaker and Ricia McMahon)

PURPOSE: To thank Keefe for fighting the fight in New Hampshire on behalf of the Democratic Party and the Administration and to encourage him to run for re-election as Chair of the State Party.

BACKGROUND: Keefe's term expires in January and he reportedly is considering not running for re-election. (b)(6)

Governor Steve Merrill (R) won a second term over State Senator Wayne King (D) by a 70%-26% margin, while Rep. Dick Swett (D), once heavily favored to win a second term, was defeated by former State Senator Charles Bass (R). The Democrats lost five seats in the State Senate, causing the collapse of their coalition with liberal Republicans which gave them working control of the chamber on many issues. The Democrats also lost 24 seats in the State House.

In addition to the Democrats' poor performance this year, the incessant attacks on you and the workload have taken their toll on Keefe, who is not a full-time chair but instead must juggle those duties with his busy legal practice and his responsibilities to his family. As a result, he is not certain he wants to continue in the post. We need to keep Keefe in the position. He has

been working hard for the Party and, although he backed Senator Bob Kerrey (D-NE) in 1992, he is a diligent defender of you and the Administration and has developed a good relationship with your early supporters.

Keefe has also been working closely with the DNC to set up a New Hampshire Grassroots Network. The Network, which will soon begin mobilizing support in the Granite State for your Presidency, has appointed captains in each county and is now compiling comprehensive lists of supporters. The Network's tasks will include responding to attacks and making sure there is a pro-Clinton presence when 1996 GOP candidates come to the state, as well as getting the message out about your accomplishments and goals.

A great deal of effort has been put into bringing activists involved in the 1992 Harkin, Kerrey and Tsongas campaigns into the Clinton fold. Some early evidence of the effort's success can be seen in the attached clip, which indicates that so far there are no signs of a potential challenge in New Hampshire. Keefe is quoted in the piece, predicting that there will not be a "legitimate challenger."

As you may know, a group of New Hampshire political leaders will meet on Thursday, December 1st, to discuss what needs to be done to prepare for the 1996 primary. This meeting is the outgrowth of your discussions with Broderick and Shumaker asking them to help develop a strategy for this. In addition to Broderick, Shumaker and Keefe, invitees to this meeting include the county captains (list attached) and the top candidates on the 1994 ticket. Broderick and Shumaker will meet with you soon to report on the input they receive at the meeting and make recommendations.

As you can see, Keefe is supportive and views your re-election as the top priority of the State Chair. Given the composition of the Democratic State Committee, which selects the Chair, it is highly unlikely that any Keefe successor would be on as good terms with your early supporters as Keefe. The important members of the Committee have been loyal defenders of the Administration but their relations with some of your early supporters are strained.

A phone call from you would not just brighten his day but would also make him feel like you view him as an important player in New Hampshire politics. The latter is especially important since he knows that you speak frequently with your other friends in the state.

TOPICS OF
DISCUSSION:

* Let him know that you appreciate his support and his hard work on your behalf.

* Thank him for his hard work this year in the face of a very unfriendly political landscape.

* Thank him for working closely with the DNC in creating the Grassroots Network, which will help lay the groundwork for your 1996 re-election bid.

* Express to him the hope that he will run for re-election to the post in January.

DATE OF
SUBMISSION:

November 30, 1994

ACTION:

Clinton has clear shot, so far

Primary challengers
still not in sight

By M.L. ELRICK
Monitor staff

THE CONCORD MONITOR
Tuesday, November 29, 1994.
Concord, New Hampshire

Democrats may not love President Clinton right now, but it appears they're not about to challenge him either.

Unlike Republicans, who have been planning to keep Clinton from a second term since the day after he won his first one, Democrats with designs on the presidency look like they're willing to wait until after 1996.

"I don't think there will be any legitimate challengers" to Clinton, said state Democratic Party Chairman Joe Keefe. "Obviously you can't completely control the situation; there might be some fringe candidate or obscure candidate, but I don't expect there to be a legitimate challenger."

National political observers like David Broder and E. J. Dionne of *The Washington Post* and James Barnes of the *National Journal* have yet to hear of any Democrat serious about taking on Clinton in the primary.

"A lot of stuff gets mentioned these days and it doesn't really amount to much," Barnes said, citing speculation that Nebraska Sen. Bob Kerry, former California Gov. Jerry Brown or Jesse Jackson are considering taking Clinton on.

"I guess the most popular scenario that people talk about these days is Clinton pulling a Lyndon Johnson," Barnes said, referring to Johnson's decision not to run for a second term in 1968. Barnes said that would make Vice President Al Gore the frontrunner.

Unlike Johnson, however, Clinton doesn't have the escalation of the Vietnam War hanging over his head.

Observers say other possible, but not likely, Democratic challengers include: Sen. Tom Harkin of Iowa, Sen. Sam Nunn of Georgia, and out-going Pennsylvania Gov. Robert Casey, who is staunchly anti-abortion.

**"A lot of
stuff gets
mentioned
these days
and it doesn't
really amount
to much."**

— James Barnes
National Journal

■ CLINTON

Continued from Page B-1

But both Harkin and Nunn are up for re-election in 1996, and would be putting their Senate seats on the line by taking a run at Clinton. And Broder called Kerry and Jackson candidacies "purely speculative." Kerry, who has had many disagreements with Clinton, has said he is not interested in running against Clinton.

"He cannot imagine the circumstances under which he would," said Kerry spokesman Greg Weiner. Although he said the senator won't be running, he also said "You never say 'never.'"

"(Kerry) said no, but that never seems to dampen speculation until after some filing deadlines pass," Barnes said. "That's kind of the way it is here in Washington sometimes."

Then there's the unpredictable Jackson, who ran in 1984 and 1988 in the Democratic presidential primary. Dionne said, "I don't think any human being knows what Jesse Jackson is going to do." He added that there's a possibility Jackson would run as an independent candidate. A Jackson spokeswoman did not return calls yesterday inquiring about Jackson's plans.

If a Democrat does step forward to take on Clinton, odds are they'll face a New Hampshire state party aligned with the president.

"I don't see it as likely that a

challenger would be able to muster much support among New Hampshire Democrats," said Democratic National Committee member Terry Shumaker, a Clinton loyalist and Concord lawyer. "New Hampshire is still Clinton country... He's spent a lot of time here, he knows a lot of activists on a first-name basis."

Barnes said one scenario that could bring challengers out of the woodwork would be if Congress overrode Clinton's vetoes in the next two years. Republicans will control the House and Senate for the next two years, but it would take significant Democratic defections to muster the two-thirds vote necessary to override a presidential veto.

"Then people would have to make a decision: Is it better to try to replace him and put up with the internal division and discord... or is it better to just stick by the president and weather it out?" Barnes said.

If Clinton does not face a primary challenge — even from a fringe candidate who also hasn't appeared on anyone's radar — he would be the first Democratic president spared that dilemma. Estes Kefauver challenged Harry Truman in 1952, Eugene McCarthy challenged Johnson in 1968, and Ted Kennedy challenged Jimmy

Carter in 1980.

"Whether (Clinton is challenged) or not may be dependent on the ego of one politician, and it's always dangerous to underestimate the ego of politicians," Shumaker said.

New York Post columnist Jack Newfield predicted Clinton's challenger, like Caesar's, is most likely to come from the Senate.

"It's still a little early for Democrats to lift up their heads. I think someone will eventually emerge," he said.

Keefe, Broder, Dionne and Barnes agreed there is still time for a Democratic challenger to come forward. Kennedy did not declare his candidacy until November of 1979, and Clinton himself did not officially become a candidate until Oct. 2, 1991.

"(Potential challengers) have

“(Nebraska Sen. Bob Kerry) said no, but that never seems to dampen speculation until after some filing deadlines pass. That's kind of the way it is here in Washington sometimes.”

— James Barnes of the *National Journal*

got several months," Broder said. "There's obviously going to be a period where people try to figure out how Clinton's going to adjust."

Barnes, too, left open the possibility that someone would take on Clinton in the primary.

"New Hampshire has humbled a lot of frontrunners before, so I suppose that that sort of invites these candidates that don't seem to have a lot going for them in terms of establishment support and financial support," he said. "But I still just think it's going to be pretty hard."

CONCORD MONITOR

Building A Better Newspaper
Right Before Your Eyes

Grassroots Captains

Portsmouth- Eastern Rockingham County			Cheshire County		
Debbie Crapo			Greg Martin		
Anita Freedman			Tom Britton		
Barbara Hopley			Valerie Britton		
Barbara Franzosa			Pat Russell		
Elizabeth Thibodeau			Richard Daschbach		
Jay Foley			Leslie Hildreth		
			Peggy Lynch		
Western Rockingham County			Sullivan County		
Mike Garofalo			Polly Andrews		
Dan Breton			Anthony MacConnell		
Patricia Kelley			John Estey		
Harley Featherston			Mike Witthaus		
Dave Morris			Edwin Fielewicz		
Skip McKaskill			Peter Spanos		
			Alan Whipple		
Manchester			Coos County		
Will Kanteres			Mike Reynolds		
Judy Reardon			Carol Lamirande		
Chris King			Paul Grenier		
Dan O'Neil			Roger Wilson		
Karl Berardi			Peter Allen		
Ron Machos Jr			Bob Woodburn		
Susan Lafond			William Bradley		
Cheryl Anderson					
Emile Beaulieu					
Hillsborough County (Except Nashua & Manchester)			Concord		
Greta Moran			Ronda Clough		
Paula Trombi			Valery Mitchell		
Charlotte Ring			Kirby Hall		
Gail DiGangi			David Sutherland		
Keith Regli			John Hancock		
Marilyn Peterman			Ellie Harrison		
Nashua			Merrimack County (Except Concord)		
Bill Barry			Alice Chamberlain		
Mary Jane Thorp			Chris Hamm		
Phil Grandmaison			Margaret Fitz		
Mary Ouellette					
Estelle Prunier			Grafton County		
Robert Keating			Dorothy Heinrichs		
Ellie Therrien			Ned Densmore		
Strafford County			Bob Clay		
Allen Krans			Wes Gardner		
Lyanne Clark			Sandra Jones		
David Waters			Bob Crowley		
			Jean Hennessey		
Carroll County			Belknap County		
Mary Fleishman			Patrick Wood		
Susan Dean Olson			Jane Wood		
Mary Summers			Stan Post		
Jeff Fleishman			Jane Fox		
			Gail Doucette		

*Sum ac
P. 100?
C. 46*

HITE HOUSE
SHINGTON

December 8, 1994

Raymond C. Groth
Apartment 304
2445 Selwyn Avenue
Charlotte, North Carolina 28209

Dear Ray:

Thanks for your letter of December 1 and for your perspective on our efforts to reform the nation's health care system. I appreciate the specific suggestions you make, as well as your recommendation on how the legislation should be introduced. I'll think carefully about your ideas.

I enjoyed seeing you last month and look forward to seeing you again soon.

Sincerely,

Bill Clinton

Raymond C. Groth
2445 Selwyn Avenue, Apt. 304
Charlotte, North Carolina 28209-1668
(704) 383-9700

December 1, 1994

The Honorable Bill Clinton
President of the United States of America
The White House
1600 Pennsylvania Avenue, NW
Washington, D.C. 20500

Dear Mr. President:

In considering how to position your health care proposals for the 1995 Congress, I suggest that the health care program be submitted in separate pieces of legislation, with each piece centered on a specific theme. It would seem that such an approach would simplify the legislation and facilitate effective public communication of its merits, diffuse the opposition and limit their ability to confuse and misrepresent, permit prompt passage of much needed legislation, and develop momentum for broader reforms.

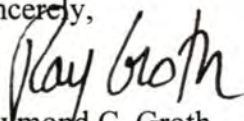
Health care legislation should be submitted in separate bills, centered around the following themes:

- (1) Insurance company reform, including preexisting condition issues and malpractice changes;
- (2) Administrative reform, including streamlining the paperwork and claims process and the national health care smart card;
- (3) Medicare and Medicaid reform;
- (4) Corporate reform, including permitting employee pre-tax dollars for health care to be carried over into following years (an IRA health benefits concept) and requiring corporations to advise their employees of health care options and negotiating on behalf of their employees with providers of health care (independent of whether there are any corporate contributions); and
- (5) Minimal core benefits coverage, limited to mandating corporations to provide catastrophic health care coverage (i.e., to hospitalization for serious illnesses).

Were the above legislation to pass and be successfully implemented, meaningful reform affecting all would have been enacted and there would be a foundation to then propose even more substantive legislation, including universal coverage.

It was good to see you on November 29, 1994 at the New Jersey appreciation day. (Bob Raymar has expanded the definition of a New Jersey person to encompass someone from Charlotte, North Carolina.) I very much look forward to being with you on December 16, 1994, for dinner at The White House.

Sincerely,


Raymond C. Groth
Yale Law 1972

*cc: Lohm
Davis
Bill Clinton
Jim Jones
etc.
Don's great
on it
Don!*

WHITE HOUSE
WASHINGTON

The Honorable Lorraine Perryman
Mayor of Odessa
Mr. James H. Jenkins
Chief of Police
Odessa, Texas 79761

Dear Lorraine and James:

Thank you so much for your letter. I am pleased that you were able to be at the White House for the October 12 event.

I share your optimism for the effectiveness of community policing and am convinced that additional law enforcement officers contribute greatly to preventing crime and restoring public safety. I am particularly delighted and encouraged to hear about the Odessa Police Department's work to reduce crime and build trust among its citizens through the use of community policing.

I look forward to your continuing support and involvement.

Sincerely,

Bill Clinton Great letter



Police Department • 205 N. Grant • Odessa, Texas 79761 • 915-333-3641

October 17, 1994

Honorable Bill Clinton
President of the United States
White House
Washington, D.C. 20510

Dear Mr. President,

As per your personal request, herein is an overview of our Community Policing efforts during the past three years in Odessa, Texas, which has resulted in a 43% reduction in the number of serious (Part I) crimes over that time span.

First of all, please allow us to say what an honor it was to meet you at your Police Hiring Supplement Grants announcement on Wednesday, October 12, 1994. We appreciate the time you took from your busy schedule to meet all the Mayors and Chiefs of Police in attendance and we were especially grateful for the time you spent with us.

In Odessa, 1990 and 1991 culminated with our highest crime rates in years. We led the state in many crime rate categories. Local law enforcement agencies would not cooperate. Teenage drug use was rising dramatically. Our police department was perceived as being alienated against the citizens it served.

With essentially a new City Council and a newly elected Mayor (Mayor Lorraine Perryman), a new police chief was hired (Chief Jenkins) in late 1991. As a result of a State Special Grand Jury, the "Mayor's Drug and Crime Commission" was created to address illegal drugs in our schools and to act as a forum for local law enforcement cooperation. It later addressed numerous crime issues and sponsored programs such as a Drug Free Youth In Texas (D-FY-IT) program for our two senior high schools.

With a new Police Chief came fresh ideas including a community policing philosophy and a "customer" orientation. In January, 1992, a Police Athletic League (P.A.L.) was formed. In the Police Department's Patrol Bureau a "Park and Walk" program was created whereby patrol officers, when not on a call, parked their cars and walked among the city's businesses downtown, in malls, in plazas, in parks, etc. This allowed police-citizen interaction for better relations and served as greater police visibility.

The Police Department was reorganized and a Community Relations Division was formed to coordinate existing and future community oriented programs.

Also in 1992 Cultural Sensitivity and Spanish for Police Officers training was initiated. Neighborhood Watch was revitalized. This effort grew from eight watches in January, 1992 to 58 watches today.

Part I crimes (murder, rape, aggravated assault, robbery, burglary, larceny, auto theft and arson) dropped in 1992 to 10,538, down from the 12,904 reported in 1991...an 18.3% reduction!

The year of 1993 was even more of a success for Odessa and its police department. With a \$184,000 grant, the Midessa Metro Auto Theft Task Force was created. This cooperative effort involves Odessa and Midland police, the Midland County Sheriffs Office and the Texas Department of Public Safety. Auto thefts have dropped 33%. The Metro Homicide Unit was formed involving the Odessa Police Department, Ector County Sheriffs Office and the Texas Rangers.

With an \$87,000 grant, the D.A.R.E. (Drug Abuse Resistance Education) program was instituted. Also, two police storefront operations were created in 1993...one in north Odessa and one in south Odessa.

The Odessa Police Department Citizens Police Academy began in 1993 with two academies being held. Further, an OPD Academy Alumni Association and a Volunteers In Policing (V.I.P.) program commenced with a start up of 23 V.I.P.s.

A Police Chaplains Program began with a Police Chaplain and twenty Associate Chaplains. An aggressive Nuisance Abatement program was undertaken involving OPD, other city departments and the Texas Attorney General's Office.

Throughout 1993, our community policing efforts truly began showing results. By years end, Part I crimes were down again by 15.5% when compared to 1992 (8,905 vs. 10,538). In two years, with a lot of hard work by OPD employees, crime had dropped by 31%. Moreover, complaints against police officers dropped 56%.

We have continued all of these programs in 1994. We are implementing the D-FY-IT program in our six junior high schools and the STARS (Students Taking A Right Stand) in elementary schools. And, of course, McGruff makes his appearances everywhere.

With the \$450,000 grant you have provided, Mr. President, we will establish a west side police storefront operation in Odessa (two officers) and a Bicycle Patrol (five officers).

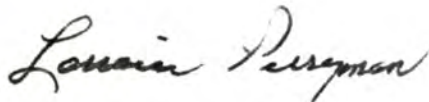
Through September, 1994, we have experienced an additional 19% reduction in Part I crimes in Odessa. If that trend continues for the last quarter of 1994, and we're optimistic

it will, the citizens of Odessa will be benefitting from a 43% reduction in serious crime in three short years.

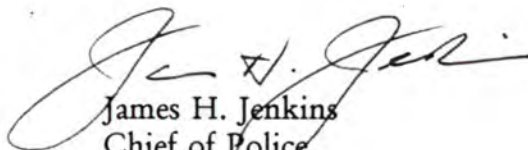
Up to now all this has been accomplished with our existing staff and four additional grant-funded officers. We attribute these accomplishments to a community policing attitude, hard work and a "customer" orientation by our employees and strong cooperation between police, citizens and political leaders.

As we said Mr. President, this is only a quick overview of what we are doing in Odessa, Texas. If we can assist you by providing additional information, or in any other way, we stand ready to serve. Thank you for your vision and leadership.

Sincerely yours,



Lorraine Perryman
Mayor
Odessa, Texas



James H. Jenkins
Chief of Police
Odessa, Texas

NAM National Association of Manufacturers

James P. Carty

Vice President

Small Manufacturers

94 DEC 8 P5:03

December 6, 1994

Mr. John Podesta
Assistant to the President
and Staff Secretary
The White House
Ground Floor, West Wing
Washington, DC 20500

Dear John:

Just a short note to thank you for your assistance in NAM's request that President Clinton issue a Presidential Message on the 100 years of manufacturing excellence.

I have spoken to Jim Dorsken of your staff and we are prepared to assist him in any way in drafting a suitable message. I mentioned to Jim that we would like to have the "message" by our February 9-11 Board meeting so that we can give maximum exposure to the "message" to our 225-member board made up of the leaders of America's manufacturing community.

John, thanks again for your help. I look forward to assisting you and Jim in this endeavor.

Sincerely,



cc: Jim Dorsken

To Dorsken
Thanks
Podesta

Manufacturing Makes America Strong

✓

THE WHITE HOUSE
WASHINGTON

yes

THE PRESIDENT HAS SEEN
12-8-94

MEMORANDUM

TO: THE PRESIDENT
FROM: Ann Stock *AS.*
DATE: December 6, 1994
RE: Remarks at Kennedy Center Honors Reception

You asked me last night who prepared your remarks for the Kennedy Center Honors Reception. I checked with Speechwriting and was told that David Kusnet wrote them with help from Bob Schrum and George Stevens.

*Potus wants note of
thanks sent*

*12/8
Tracy*

*Kusnet's + Stevens'
ltrs have been
signed by the P.
already*

*Sharon/Podesta's
OK.*

*Should we get
remarks and/or
a letter for Bob
Schrum? YES*

To Joel Klein
what is this?
 Podesta

12-8-94

Mr. Podesta:

We have asked for return on
payment since 11/9 - will
ask the media to ask Mr. Clinton
in person at every appearance
including the Summit.

FOR IMMEDIATE RELEASE

CONTACT:

TRAPP/TECHNOLOGIES

Debra von Trapp

Irvine, CA

(714) 857-2266 VOICE (714) 559-1889 FAX

CLINTON'S CHIEF OF PROCUREMENT HELM UNDER JUSTICE DEPARTMENT
INVESTIGATION, UNPAID EXECUTIVE OFFICE SOFTWARE DEMANDED BACK.

IRVINE, November 29, 1994 -----PC Industry analyst Debra von Trapp has served a written demand on Chief of Procurement for the Executive Office of the President, Dale Helm, to either deinstall and return the computer software delivered by her firm last year to Clinton's office, or pay the bills that were left unpaid by Helm's alleged co-conspirator in illegal Executive Office purchases, FBI employee Robert Goetzman.

Ms. von Trapp is a federal witness in the Justice Department investigation of Robert Goetzman's home-based Ohio business which conducted sales with the Executive Office under Mr. Helm's authorization.

Attorney General Janet Reno's office referred the investigation on July 25th of this year, which is presently under the direction of Paul Coffey, Chief of the Organized Crime and Racketeering Section of the Justice Department.

Among the charges under investigation, FBI employee Robert Goetzman is accused of removing 100 copies of WordPerfect 5.1, a wordprocessing software, from the Executive Office Building and "donating" it to the Democratic National Committee. Goetzman has

admitted to personally delivering the software to MIS Director K.C. Hollings at the DNC headquarters in Washington D.C..

Ms. von Trapp has confirmed that her firm provided the Clintons with technology at the Inaugural sites and the Executive Office of the President, while working on an FBI project which may have been unauthorized activity by a few intelligence agents acting with Mr. Goetzman in "front companies".

The alleged activity between Mr. Helm and Mr. Goetzman violates multiple federal laws which cover federal purchasing and federal employee outside compensation. The "donation" of federal property from the Executive Office to the DNC is potentially both a violation of political donation law and federal law pertaining to embezzlement.

Mr. Helm has not responded to the roughly eleven hundred dollars in outstanding invoices owed to Ms. von Trapp for the software used in the Executive Office since March of 1993.

-----END-----

RETAIL
VALUE
4K?

December 7, 1994

Press Office
Attn: Chase
Facsimile (202)-456-2380

12/8
MR. CLINTON

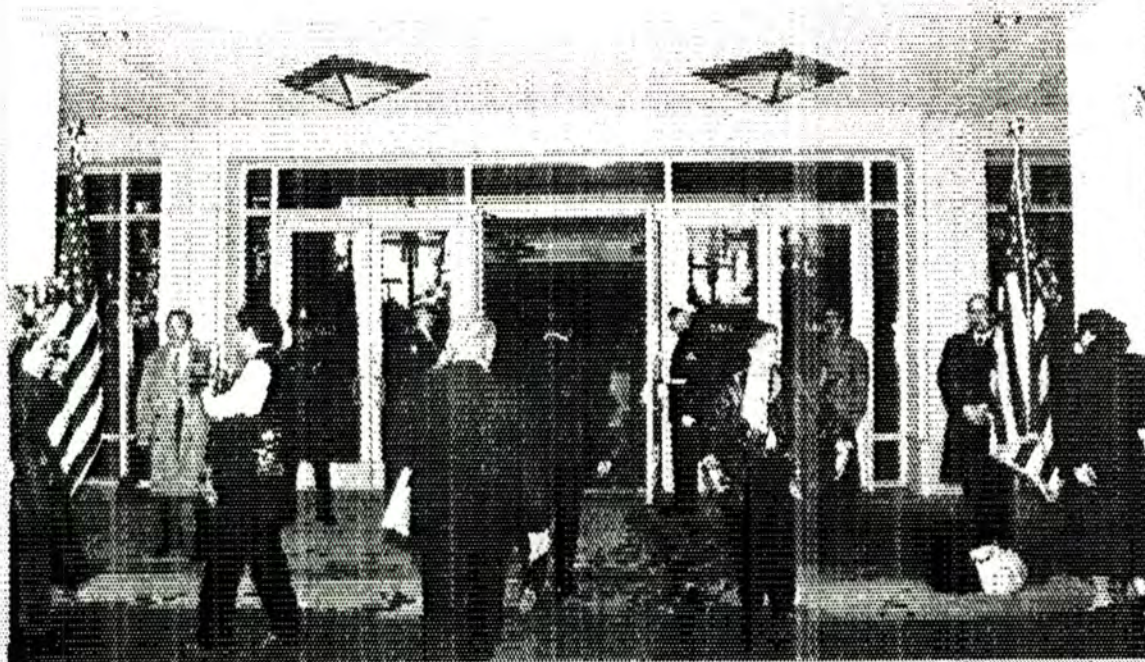
These two photos, taken in front of the Nixon Library on the day of Mr. Nixon's funeral, were previously sent with an earlier press release.

I am in the black raincoat, to the right of the door and next to the Secret Service agent. In the other photo of myself and the press, the press behind the rope include Judy Muller, ABC News.

These are provided for Ms. Myers reference, as it is unlikely that she follows me as an analyst.

Sincerely,


Debra von Trapp





TIME

SPECIAL REPORT

50 For the Future

TIME's roster of
America's most
promising leaders
age 40 and under



*Erskine Leon /
~~Starch~~ Starch
worth considering
some of them for
unsubstantiated
Assess -*

THE PRESIDENT HAS SEEN
12-8-94



LEADERSHIP

As the November elections stressed anew, America has become vastly suspicious of leaders. Yet it continues to produce them: TIME has picked 50 with the requisite ambition, vision and community spirit to help guide us in the new millennium.

By DAVID VAN BIEMA

ONE OF THE SATISFACTIONS OF AMERICAN DEMOCRACY is that after each election, we can imagine a little map on which dozens of tiny dotted lines converge northeast of Virginia, as dozens of Mr. Smiths from all over make their way to Washington. It is gratifying to think of those Smiths; they represent civic responsibility successfully discharged. For one alarming, if heady, moment, the weight of a nation rests directly on our shoulders; then suddenly it is on theirs, and we are proud and relieved to announce our latest set of leaders.

TOMORROW



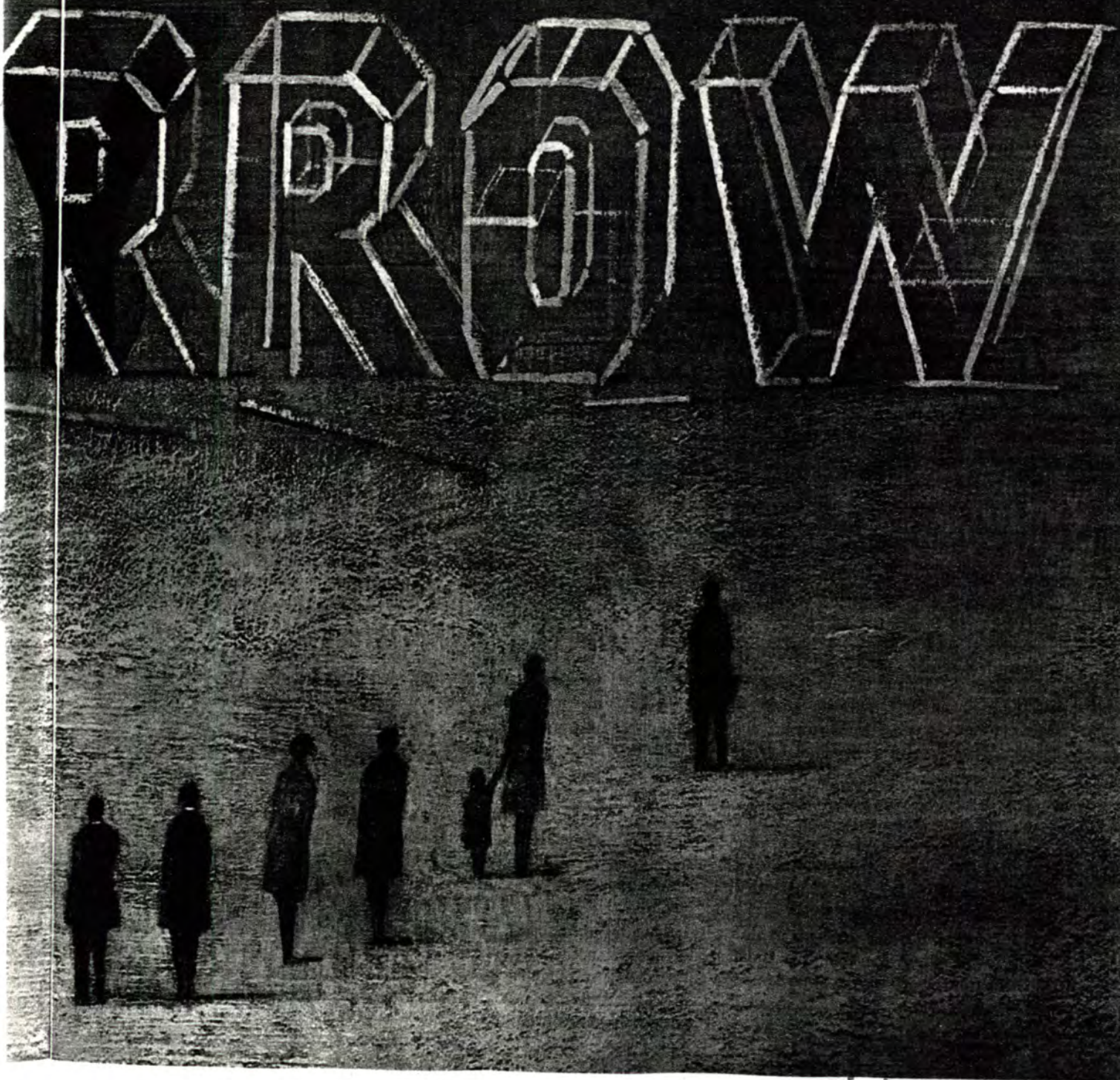
Not this last time, however. Or perhaps only in the strictest sense. Because, in truth, Election 1994 was not about sending leaders to Washington; it was about sending a message to Washington regarding how bad we thought our leaders were. It followed a campaign in which a picture of someone alongside Washington's Capitol dome was tantamount to a smear and in which all but the most atavistic incumbents abstained from leaderly chest beating for fear it might mark them as "insiders." If we could have sent no one to Congress, we would have. Those whom we did send, needless to say, were the proponents of "small government"—that is, people promising to deliver us from leadership, which is an ideal under by now prolonged siege.

Dante, observed the poet Richard Wilbur, wrote "from the center of a diamond." What Wilbur meant was that Dante's society

was aligned in such a way that the sound and sense of his verses could emanate clearly throughout the Italian-speaking world, effectively defining a culture. American leadership enjoyed its own Diamond Age during the decades following World War II. Whatever was performed by the men at the gem's center, which was Washington, was amplified clearly around the country, redefining it. For those ambitious to lead (and those just keeping score), the paths to the center were crystal clear: the two main political parties, the military or Big Business. After the 1950s, one could add the major civil-rights groups. John F. Kennedy's rise through the Navy to Congress to the Senate was typical enough. Nobody needed a road map to find him.

That explains why TIME's first list of young leaders did not appear in the '40s, '50s or '60s but in 1974. By then cracks had marred

ILLUSTRATIONS FOR TIME BY WIKTOR SADOWSKI



the diamond's surface. "Don't follow leaders, watch the parking meters," Bob Dylan sang in 1965, coincidentally staking out his own rogue claim to leadership. QUESTION AUTHORITY, added an unknown sloganeer. Vietnam and Watergate further confused and corroded. Nixon was a month from resigning. America, TIME suggested in 1974, seemed plagued by "a sense of unease, not only of giants having departed but also of mere competence being all too scarce." When the magazine repeated the exercise in 1979 during Jimmy Carter's third year (Presidents in trouble seem to inspire us), the trend had accelerated. "It sometimes appears that Americans in the '70s have developed almost a psychological aversion to leading and to being led," TIME wrote. How much worse could it get?

Little did we know. Citizens today may be forgiven for thinking that the diamond has splintered altogether, replaced by a thousand cheap disco balls, spinning, oblivious to one another, in the gathering gloom. Multiculturalism, in its separatist aspect, bears some blame: if America's constituent groups no longer acknowledge the primacy of the whole, then they are unlikely to extend allegiance to the whole's leaders. Then there is multiculturalism's Washington twin, special-interest politics: it is impossible to articulate a coherent vision when each new idea instantly generates a spate of negative advertising by lobbyists or pressure groups, burrowing with the single-minded intensity of corn borers.

The result is a society in which the only way to lead, it seems, is to pose as an antileader, a society in which term limits outpoll wisdom or service. To take the helm today is to invite invective, nor does it look as though the trend will reverse itself anytime soon. It seems worth asking once more whether the nation has any leaders left, especially young ones, with promise and enthusiasm.

AFTER SCREENING HUNDREDS OF CANDIDATES, TIME HAS PICKED 50 men and women, age 40 and under, who we think will make a difference. The search employed the magazine's 1979 standard of "civic and social impact," which allows for the inclusion not only of political comers such as Evan Bayh, 38, Governor of Indiana, and Election '94 victor Susan Molinari, 36, but also business visionaries like Bill Gates, 39, and influential academics like Jeffrey Sachs, who, at 40, retools the wealth of nations. Athletes and entertainers went unlisted unless, like Oprah Winfrey or trumpeter Wynton Marsalis, their genius extended to activism, evangelism or entrepreneurship. The cutoff age of 40 represents an attempt to balance accomplishment with future promise.

It should be stressed that this selection, as always, is intended to be representative rather than inclusive: there are lots more where they came from. As to where they do come from, it is worth

noting that the selection process has yielded an unusually large representation of local activists. In 1979 columnist David Broder suggested to TIME that compelling leaders may be scarce because the nation is "between clarifying ideas." Nationally that may still hold true. But there can be no doubt that below the national level, there are at least as many clarifying ideas as there are battling subcultures. Put more cheerfully: the more pieces of the pie there are, the greater the opportunity for people to distinguish themselves serving it up.

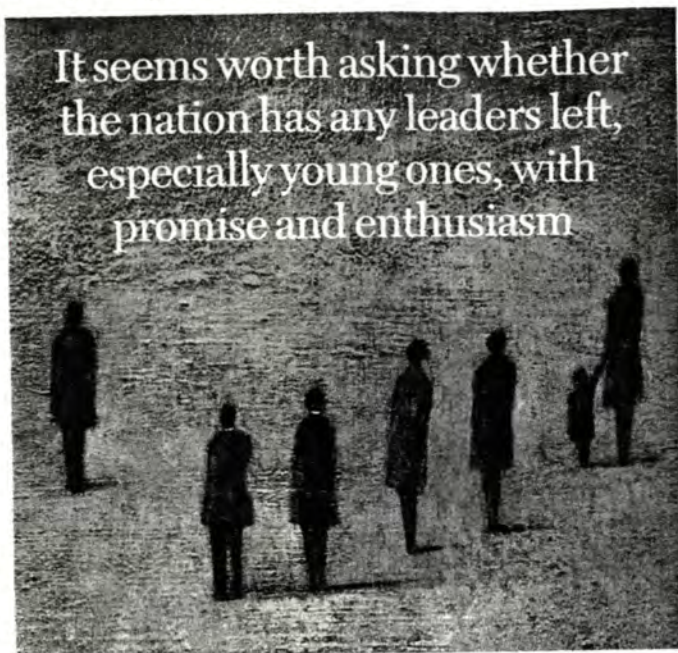
In fact, some of the most forbidding or inaccessible "locales"—those whose problems national leaders have addressed

unsuccessfully or only tentatively—have produced some of the strongest local leaders. An unusually high number of nominees sprang from the country's most notoriously barren ground: they are rehabilitating parts of Los Angeles ravaged by the 1992 riots. It was the urban sprawl of a neighborhood so exotic that it cannot be found on any map that inspired Marc Andreessen to produce an ingenious cybernetic street finder for the Internet.

NO ONE CAN PREDICT WHETHER any of these local leaders will eventually ascend to the national stage or whether that kind of leadership—on the grand

scale—has become impossible. One can only cite the hopeful example of Regina Benjamin, a rural physician whose rather modest original goal was to help solve the local doctor shortage in poverty-stricken Bayou La Batre, Alabama. Practicing there for a while convinced her of the need to know something about business. While earning her M.B.A. at Tulane University, she unearthed an obscure federal rule that would provide government money to qualified rural health clinics. Suddenly, in addition to her medical chores in Bayou La Batre, she was performing a wider-ranging function as an adviser to other small, medically underserved towns looking to open facilities. This, in turn, led her to a seat on the Alabama Medical Association's governing board and the state public-health and medical examiners' boards. She presents this progression toward ever greater responsibility and authority matter-of-factly, as if it were inevitable. Which, perhaps, it is.

As surely as there are forces organic to today's America that stifle leadership, there are forces within some Americans that cause them to lead nonetheless. Ambition plays a role, as does a desire to do good, but doggedness is essential, as is a sort of questing curiosity. Some local heroes will remain local, which is as it should be. For others, solving one problem will inevitably lead to another and another: until, eventually, the new leaders will be ministering not to a neighborhood but to a nation, perhaps to the world. Assuming that we will let them. ■





Tundi Agardy, 37
Marine biologist

OCEAN BIOLOGISTS TEND TO PASS their careers either exiled on remote islands or marooned in the lab. Tundi Agardy has done plenty of both. She spends two months a year surveying sharks off the coast of western Africa, and her publications boast titles like *Kinorhynches*, *Echinurians*, *Priapulans*, and *Sipunculans: How to Manage Them When You Can't Even Pronounce*

Them. But whether she is studying mud flats on Tanzania's Mafia Island or drafting UNESCO guidelines for coastal conservation in Madagascar, Agardy has a flair for turning raw science into sound stewardship. "She is one of the few people in marine conservation who start with a good scientific base, then go on to policy," says William Eichbaum of the World Wildlife Fund, where Agardy is a scientist. She is also a search-and-rescue diver, pilots powerboats for fun and is taking a lead in setting up marine parks to save endangered ecosystems around the world.

Evan Bayh, 38
Governor of Indiana

WHEN PEOPLE SPEAK OF Evan Bayh, they tend to speak in superlatives. They observe that he is the nation's youngest Governor and Indiana's most conservative modern-era chief executive, the man who in 1992 was re-elected to a second term by the largest margin in modern Indiana history. As both Indiana's top Hoosier and chairman of the Democratic Governors Association, Bayh earns high marks for sound fiscal management, keen attention to education programs, strong consensus-building skills and an easy-listening communication style. Admirers say this Friend of Bill will carry the New Democrat torch long after Clinton leaves the White House. While some Friends of Evan are already predicting that Bayh will occupy the Oval Office someday, the son of former Senator Birch Bayh has a more immediate goal in mind: he wants to leave the statehouse in January 1997 with a track record of never having raised Indiana's taxes.



Marc Andreessen, 23
Co-creator, Mosaic

BIG, BLOND AND THOROUGHLY unpretentious, Marc Andreessen had barely come of age when he co-wrote the program that is helping to tame the Internet—the vast, chaotic web of interconnected computers that is the closest thing today to an information superhighway. In the democratic spirit of cyberspace, Andreessen made the program—NCSA Mosaic—freely available on the Net, and it has spread like a virus. Today at least 20 firms are racing to cash in on Mosaic's popularity, the most prominent of which is Andreessen's own company, Netscape Communications. Life in the fast lane of the info highway is vastly different from what it was in New Lisbon, Wisconsin, where only a few years ago, he was staying up nights dreaming of computer programs that could do his math homework. Andreessen is often cited as one of the few people who have a road map for the infobahn. Pressed for directions, he quips, "I hope sleep is part of the plan."



Helen Alvaré, 34
Antiabortion leader

HELEN ALVARÉ'S LABEL FOR HERSELF—pro-life feminist—is composed of words that rarely sit quietly together. But she sees no contradictions: her feminism and her Roman Catholicism, she says, both arise directly from biblical teachings about the equality of creation and Jesus' treatment of women. A lawyer, Alvaré acts as the national spokeswoman on abortion for the Catholic bishops. Growing up in Wayne, Pennsylvania, as one of five kids in a Catholic, Cuban-Irish family, she attended her first pro-life rally in Washington when she was 13.



That was when she realized, she says, that she was outspoken. "even a little pushy," a quality that could be put to good use defending those who could not speak for themselves. "How do we treat innocent life?" she asks. "That speaks to the future of America's soul." Her work keeps her on the road 70 days a year, but a flex-time arrangement with the bishops still leaves her time for her husband and baby daughter.

Dr. Regina Benjamin, 38
Rural health-care provider

TO HER PATIENTS IN AND around the coastal Alabama hamlet of Bayou La Batre (pop. 2,500, now immortal as the town where Forrest Gump made his fortune as a shrimper), it is enough that Dr. Regina Benjamin is a fine doctor in a place where there are few doctors at all. But to get there she needed far more than her medical skills. After training and a

volunteer stint, she opened her own practice in 1990, but "it wasn't long until I realized I needed to know about business almost as much as medicine." So she commuted to Tulane, in New Orleans, to earn her M.B.A., which allowed her to analyze red tape as easily as red blood cells. What she discovered was a little-known provision in the 1977 health-clinic law that made extra federal money available for qualified practices. Now other towns consult her about how to open facilities in underserved areas. Her current mission: to clean up the environment that is poisoning her patients' health.

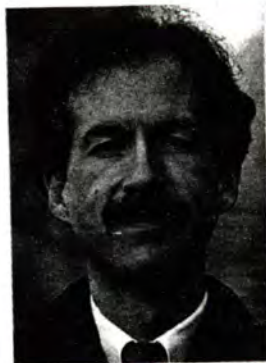




Henry Bonilla, 40
Congressman, Texas

AS A LOCAL TELEVISION REPORTER, he moved around the barrios of South Texas with an ease that gave him an edge on the competition. Henry Bonilla's understanding of a community that includes some of the poorest people in the nation, however, would eventually inspire him to do more than chronicle other people's pain. He plunged into Texas politics in 1992 with the ag-

gression of a linebacker and sacked a four-term Democratic incumbent to become Texas' first Hispanic Republican Congressman. When he arrived in Washington from San Antonio, he was assigned to the House Appropriations Committee, a position not held by a Republican freshman for 25 years. "You can have anything you ask for, if you are willing to step forward and work," is how Bonilla sees it. "His future is open-ended," says Speaker-to-be Newt Gingrich. "He's tremendously intelligent, very, very competent, very organized." And primed to move up.



William Burns, 38,
Foreign-service officer

THE CRAFT OF DIPLOMACY may be likened to the art of creating nouvelle cuisine: balance, presentation and style are as important as the actual ingredients. So it is perhaps fitting that William Burns' boss once compared him to a food processor, a reference to the

speed with which the young deputy smoothly churned out assignments during the weeks preceding the 1991 Madrid peace talks. Throughout his string of top jobs, Burns' remarkable performance has belied his age. At 32, he was briefing Ronald Reagan on Middle East affairs at the National Security Council. At 36, he was acting director of the State Department's policy planning staff, a job previously held by the likes of George Kennan and Paul Nitze. Now serving in the Moscow embassy, Burns' brilliant mind, unflappable demeanor and flair for self-effacement in a field where titanic egos often clash make him the fastest-rising career diplomat of his generation.

against racial preference in hiring. Meanwhile, *The Culture of Disbelief*, his criticism of liberals, courts and academe for treating "God as a hobby," became the talk of Washington after Bill Clinton offered an unsolicited rave. An Episcopal convert, Carter says, "Each of us is a complex of our ideas and experiences. I am shaped by being an African American. But I am also shaped by being a Christian." Eschewing suggestions that he enter politics or seek a judgeship, he is focusing on a new book. "I am writing about a life in which one works hard to do what most of us don't do often enough, to distinguish right from wrong."



John Bryant, 28
Founder, Operation HOPE Inc.

JOHN BRYANT REMEMBERS ONE compliment distinctly, delivered by Bill Elkins, special assistant to former Los Angeles Mayor Tom Bradley: "John, you're too dumb to fail. You've never been taught what you cannot do." Case in point: just days after the 1992 Los Angeles riots, Bryant took scores of bankers on a bus tour of the devastated neighborhoods. Result: millions in loans poured into the area from banks convinced by Bryant that local economies would pick up. Says he: "There is nothing bad about doing well from doing good." Indeed, doing well has been an obsession.

As a 10 year old growing up in depressed Compton, he bummed \$40 from his mother and bought candy wholesale, then made as much as \$300 a week selling sweets to neighborhood kids. Now the president of a bank consulting firm, he teaches a UCLA seminar called Doing Business with Japan. He also has his eyes on politics. Might he fail? Dumb question.

Sean Carroll, 33
Molecular biologist,
inventor

IF DOCTORS EVER ACQUIRE AN antidote to "killer bee" venom, they will probably have Sean Carroll's fascination with reptiles and insects to thank. With his wife, a biochemist, Carroll founded a medical-biotech company, Ophidian Pharmaceuticals, in 1989; it has already patented an anti-snakebite medicine and is now at work on a synthetic cure for blood poisoning, as well as the bee-venom drug. But the company is just a sideline to Carroll's real work at the Howard Hughes Medical Institute and the University of Wisconsin. His groundbreaking studies of the genetics of butterfly-wing patterns are leading to deep insights into the ways genes direct cell development and trigger evolutionary change, not just in butterflies but in myriad other animals as well. Important though he considers his pharmaceutical work, Carroll sees no need to commercialize everything he does. "I don't think," he says, "that evolutionary biology needs a medical rationale."



Stephen Carter, 40
Law professor,
Yale University

"THE ONLY THING I CAN DO better than others is put words on a page," says Stephen Carter. His words have led Americans to face uncomfortable issues. Carter's first book, *Reflections of an Affirmative Action Baby*, caused consternation among conservatives and liberals alike by arguing in favor of the affirmative-action programs but



BRYANT: FRANCIS GARDNER—LOS ANGELES TIMES; BURNS: CHUCK NACKE FOR TIME; CARROLL: DAVE SCHULBROCK FOR TIME; CARTER: TED THAI FOR TIME



Christopher Chyba, 35
Planetary scientist

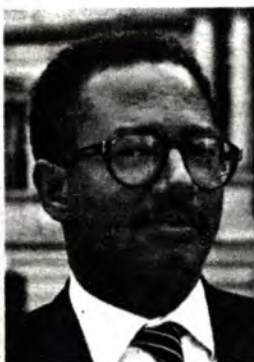
THOSE WHO FRET ABOUT THE world coming to an end would find Chris Chyba an immensely reassuring fellow. After six years of studying how comets and asteroids work, he concluded that even if the Big One were on a collision course with Earth, it would probably, owing to complex aerodynamic forces, blow up too high in the atmosphere to wipe out life on the

ground. His other research interests range from drilling through million-year-old permafrost in Siberia to working on the Voyager spacecraft's imaging team. But Chyba keeps his eye on the ground as well.

For a year as a White House Fellow, he studied Chernobyl and other nuclear reactors in the East bloc to review safety regulations and alternative energy sources. Now at the White House Office of Science and Technology Policy, this honors graduate of Swarthmore has an even more pressing task: helping tighten the security of nuclear stockpiles in the former Soviet Union.

Chaka Fattah, 38
Pennsylvania Congressman-elect

IN 1982, AT AGE 25, CHAKA Fattah became the youngest person to win a seat in Pennsylvania's general assembly. Since then he has built a reputation in Harrisburg as an articulate spokesman for urban issues. First in the house, then in the senate, he gained standing as an education crusader, designing reading programs, securing state grants and loans for college students and exhorting youngsters to fulfill their potential. He is also credited with leading a \$34 million fund-raising effort to keep Philadelphia solvent, sponsoring an employment-opportunity bill that trained 200,000 people for private-sector jobs and championing a program to move Philadelphia's poor from decrepit high-rises to decent, smaller-scale housing. His versatility, energy and determined efforts on behalf of the needy have Pennsylvania Democrats prematurely—but confidently—predicting that this Philadelphia father of a son and a daughter will someday lead the Congressional Black Caucus.



James Dimon, 38
President, Travelers Group

FROM HIS MIDTOWN MANHATTAN aerie, Jamie Dimon can see Queens, where he grew up. Climbing the Wall Street ladder, Dimon has been involved in some of the biggest deals in investment banking. He helped engineer the \$4 billion purchase of giant insurer Travelers by Primerica (now Travelers Group), where he is widely assumed to be heir apparent to chairman Sanford Weill. As head of Travelers' Smith Barney brokerage unit (second in size to Merrill Lynch), Dimon ranks as one of the Top 10 figures on Wall Street.



Grandson of a Greek immigrant, Dimon has not lost sight of his roots. In 1982 he co-founded the New York Academy of Finance, which prepares inner-city youths for Wall Street careers. Two years ago, he launched a recruitment program at Spelman College to attract more black women to finance. "Jamie's not afraid to act like a leader," says Weill. "He faces it head on; he sticks with it, and he finishes it."

Bill Gates, 39
Co-founder, Microsoft Corp.

THE PEOPLE WHO ARE CLOSEST to Bill Gates (those who feel comfortable enough to pull his smudged glasses off his face and polish them for him) thought his marriage early this year might finally slow him down. If so, there is no outward sign of it. The boyish Gates seized virtual control of the computer-software industry through a clever deal with IBM nearly 15 years ago, becoming in the process America's richest man (estimated net worth: \$9.35 billion). Since then he has become, if anything, even more powerful. Not content to own



operating systems (MS-DOS), interfaces (Windows) and application programs (Microsoft Word, Excel, etc.), he seems intent on extending Microsoft's hegemony into every new medium, from CD-ROMs to digital banking to online services to interactive television. No aspect of life in the information age, it seems, will escape his influence. He's even buying digital reproduction rights to the world's greatest works of art.

Dr. Pedro José Greer Jr., 38
Advocate for the homeless

GREER STILL REMEMBERS the first time he peered through "the window into poverty." He was an intern at Jackson Memorial Hospital in Miami, treating a man who was dying of tuberculosis. The patient's wristband read NO ADDRESS, and Greer hated to see him dying alone. "So I went to different shelters to try to find his family," but with no luck. He has

been going back to the city's shelters ever since, becoming one of the nation's leading authorities on health care for the homeless. Greer still makes rounds in his red Jeep, calling on people who live under highway overpasses and in public parks. Camillus Health Concern, one of the four free clinics he founded, now gets about 30,000 visits a year. True reform, he argues, requires careful tailoring. "A diabetic who lives under a bridge won't be able to guard his syringes or stick to a diabetic's diet," he says. "Health care is a very personal thing—a one-size-fits-all approach just won't work."





John Kaliski, 38
Urban architect

JOHN KALISKI DREAMS OF A TIME when America's biggest cities will be known not as entrepôts of crime and fear, but as places that nurture, shelter and inspire the people who live in them. With the help of a National Endowment for the Arts grant, his private firm is researching the histories of several Los Angeles neighborhoods to shed light on the evolution of urban sprawl—an im-

portant step in making city neighborhoods, not just in L.A. but around the country, more habitable. Kaliski, who studied architecture at Yale, wants to redesign cities to reflect "the way people live" by lining urban boulevards with lush parks, safe family housing and extensive community gardens, linking commercial buildings and homes with nature. Assuming he manages to keep from getting run over by a car—his boyish enthusiasm for photographing taco stands and dry cleaners often puts him at the mercy of heavy traffic—he promises to help change the profile of U.S. cities in the next century.

Alan Khazei, 33
Co-director, City Year

"I WANT TO SEE A DAY WHEN doing a year of public service is just part of growing up in America," says Alan Khazei. Since founding City Year in 1988, he and his former Harvard roommate, Michael Brown, 33, have dispatched hundreds of young people in cities nationwide, where they spend a year working in classrooms and afterschool programs and restoring playgrounds and parks—all for a \$125-a-week paycheck, plus a \$4,725 bonus for college. Son of an Iranian immigrant, Khazei worked on Gary Hart's 1984 presidential campaign.



But politics, he believes, has become a dirty word. Khazei prefers "public-service entrepreneurship." Corporations like Timberland and Reebok believe in it enough to contribute to City Year's \$16 million annual budget. "I used to call Alan Mr. President," says Jeffrey Swartz, 34, chief operating officer of Timberland. "He turned to me one day and said, 'Why would you limit the good that I can achieve?'"



Randall Kennedy, 40
Harvard law professor

RANDALL KENNEDY'S CURRICULUM vitae is any young scholar's dream. A graduate of the elite St. Albans School in Washington, he won a Rhodes scholarship after Princeton, then took his Yale Law degree to clerk for Supreme Court Justice Thurgood Marshall. Un-

willing to settle for an ivory-tower life, Kennedy four years ago launched *Reconstruction*, a journal on African-American politics and culture that has emerged as an intellectual sparring ring for heavyweight thinkers, black and white, such as Stephen Carter and James McPherson. His provocative approaches to social and legal problems are helping reshape the way Americans think about race. He opposes attempts to limit adoptions through race-preference laws, for example, on the grounds that a healthy home environment outweighs the benefits of living in a racially unified family. Social policy, he contends, "should be aimed at putting children in need of adults in the hands of loving adults as quickly as possible."

John F. Kennedy Jr., 34
Health-care entrepreneur

HIS TABLOID IMAGE—A HUNK, NOT a rocket scientist—is well off the mark. Intelligent, self-possessed and decent, John F. Kennedy Jr. inherited his mother's sense of privacy and is intent upon pursuing a useful life as much outside the public eye as a Kennedy can. For six years, without publicity, he has led a project called Reaching Up, a program that has created hundreds of education and career opportunities for New York State hospital orderlies, home attendants and nursing aides working in the health-care field. Until last year an as-



stant district attorney in Manhattan, Kennedy is launching a new magazine called *George* (as in Washington), which is intended to be a kind of SPORTS ILLUSTRATED of American politics. He too may eventually go into politics (his father, of course, began with a brief stint as a journalist), and if he does, no one doubts he will have as good a chance of succeeding as any of his relatives.

Ronald A. Klain, 33
Chief of staff to Janet Reno

IN A CITY WHERE NAME recognition is synonymous with success, Ron Klain has made a virtue of being unknown. As Attorney General Janet Reno's chief of staff, he is all but invisible to the public but recognized in Democratic circles as the man to have on your side in a political or legal fight. A rare mix of top-flight lawyer and savvy politician, Klain shepherded the nomi-

nations of Reno and Supreme Court Justice Ruth Bader Ginsburg through the Senate and steered the omnibus crime bill through the turbulent legislative process. An honors graduate of Georgetown and Harvard Law, he clerked for Justice Byron White. Spurning six-figure law-firm offers, he signed on as chief counsel to the Senate Judiciary Committee, a job Justice Stephen Breyer once held on his road to the High Court. Harvard's Laurence Tribe, an admiring former teacher, calls Klain "one of the most politically talented and intellectually powerful students I've ever had"—one destined to lose his anonymity soon.





Wendy Kopp, 27
Founder, Teach for America

SHE IS PERHAPS AMERICA'S MOST impassioned antislacker. At 21, Wendy Kopp, who graduated from Princeton University, dedicated herself to an ambitious goal: enhancing the image of teaching by drawing the best and brightest to the profession. To that end, she created Teach for America, a national corps of top-notch college graduates who make a commitment to

teach in 17 underfunded school districts across the country. "We will never get where we need to be in educating children if we don't recruit the most talented people," says Kopp. "A corporation might have 100 résumés for a position and still go out and recruit the best person. In a school district, that kind of mind-set is extremely rare." Kopp, who funded TFA with a \$26,000 seed grant from Mobil and whose current funding is \$22 million from corporate sponsors, has had little trouble attracting smart, eager candidates. Each year TFA receives about 3,000 applicants for 500 positions.



Winona LaDuke, 35
Native American rights activist

HER CEREMONIAL NAME IN the Chippewa tongue means "Thunderbird Woman." In her quest to redress wrongs, the Harvard-educated Winona LaDuke doesn't mind ruffling a few feathers. When the state government seized tribal lands from the

837,000-acre White Earth Indian Reservation in Minnesota because members of the tribe had failed to pay property taxes they neither understood nor could afford, LaDuke stepped in with an aggressive solution: buy it back, one acre at a time. Using \$20,000 awarded by Reebok for her human-rights activities, she seeded a fund that has allowed the tribe to repurchase more than 1,000 acres. She was also instrumental in stopping the massive James Bay hydroelectric project, which threatened to destroy four major rivers in Canada. A riveting speaker, LaDuke exhorts Native Americans to take control of their lives by taking back control of their land: "A land base to support our people is essential."

Maya Lin, 35
Sculptor, architect

IN AN ERA IN WHICH SO much political art borders on the bombastic, Maya Lin's sculptures speak quietly but always evocatively, reminding Americans of their common bonds. When she was 21, Lin, an architectural student at Yale, submitted the winning design for the Vietnam Veterans Memorial, which now stands as the country's most moving monument. Since then, she has similarly embraced other historically emotional subjects—creating a Civil Rights Memorial in Alabama, dedicated in 1989, in which names and events

crucial in the civil rights struggle were carved into a black granite waterwall and table. Few would argue with Lin's own assessment of her art: "No matter how you see my works, the end scale is a very personal, immediate, human scale." A committed environmentalist currently designing a 200,000-sq.-ft. recycling plant, Lin seems destined to continue imbuing art and architecture with real meaning.



Samuel LaBudde, 38
Biologist

MOST ENVIRONMENTAL ACTIVISTS use megaphones and in-your-face-offs to draw attention to their cause. Not Sam LaBudde. He spies. In 1987 LaBudde spent four months aboard a Panamanian tuna boat secretly chronicling the slaughter of dolphins that were trapped in the vessel's mile-long nets. His video, part of which aired on network news, forced U.S. companies to stop selling tuna caught with dolphin-killing nets. Since then, LaBudde, co-director of the San Francisco-based Endangered Species Project, has used his cloak-and-dagger techniques to expose the destruction of marine life by Asian drift-nets, spearheaded an international effort to halt China and Taiwan's illegal trade in tigers, and documented links between organized crime and wildlife trafficking. "The escalating rate of species extinction," he says, "is the one thing that future generations are most likely not to forgive."



Roderick von Lipsey, 35
Major, U.S. Marine Corps

A FIGHTER PILOT WHO IS also a founding member of the Chamber Choral of Fredericksburg, Virginia, Rod von Lipsey is a Renaissance Marine with a history of unusual juxtapositions. As a boy in Philadelphia, he studied ballet with the same zeal with which he threw himself into ice hockey. After completing the Navy's Top Gun fighter-pilot school

at Miramar Naval Air Station in San Diego, he flew 40 combat missions during the Gulf War, then earned a graduate degree in international affairs from Catholic University. He became an aide to Joint Chiefs Chairman General Colin Powell, who says Von Lipsey "is a great officer, a great Marine; he'll go far." Until recently, Von Lipsey was special assistant to then Clinton chief of staff Mack McLarty, briefing him in the areas of foreign policy and security, a position of unprecedented responsibility for an officer of his rank. Senior officers see him becoming one of them before too long.



KOPP: STAN COOLES/EMSI; LA BUDDE: MICHAEL ROBINSON/CHANEZ FOR TIME; LA DUKE: BOB RHA JR. FOR TIME; LIN: FREDERICK CHARLES VON LIPSEY: B. REID



Jonathan Lunine, 35
Planetary astronomer

"SMALLER, FASTER, CHEAPER" ARE NASA's new bywords. Without the money to launch complex probes, the agency must lower its horizons or find a better way. Jonathan Lunine thinks he has some answers: "Most of the problem is that it costs so much to launch even a small payload that you have to get it right the first time." As head of NASA's Solar System Exploration Committee, the

University of Arizona scientist is ideally placed to make that happen. He is also supremely qualified: inspired by a close encounter with a Carl Sagan book during high school, Lunine took degrees at Caltech in both planetary science and geophysics. Just three years out of graduate school, he won the 1988 Harold C. Urey prize from the American Astronomical Society for his work on Pluto and the major moons of Neptune and Saturn. In 1993 he joined a NASA team studying the feasibility of a manned trip to Mars. He says it could happen as early as 2030—and who would presume to doubt him?

Fred McClure, 40
Corporate consultant

FRED MCCLURE HAS LEARNED to lead from some tough taskmasters—the late Texas Senator John Tower and former White House chief of staff John Sununu—disarming them, when necessary, with a funny story or a line sung in his rich baritone voice. That blend of easy humor and competence has marked his rise from San Augustine, Texas, to become the first African-American president of Texas' Future Farmers of America and of the Texas A&M University's student body, and later an intern in the Ford White House. Between various Wash-

ington jobs, McClure earned a law degree from Baylor, then worked as vice president of Texas Air Corp. until 1988, when George Bush and Sununu made him assistant to the President for legislative affairs. Now he is launching a Dallas consulting firm to help companies deal with government. If Republicans regain the White House in 1996, McClure is likely to get a Cabinet post or other top job. "Politics," he says, "is in my blood."



Wynton Marsalis, 33
Jazz musician

IF THE MARSALIS CLAN IS jazz royalty, then Wynton Marsalis is its prince of wails: he is a prodigiously talented trumpeter, a favorite son of New Orleans and, almost literally, a Pied Piper. Over the years, he has encouraged the careers of trumpeter Terence Blanchard and pianist Harry Connick Jr., among others. Critics and fans alike point to the hegemony of the Marsalis school of jazz, but it is only growing in influence. He has preached the virtues of his music around the country, visiting more than 1,000 schools in the past decade. As the artistic director for Jazz at Lincoln Center in New York City, he has introduced programs to teach young people about jazz. "For us to really heal our society, it requires us to expend our own energy and capital on people who are not like us," says Marsalis. "We have to invest in them to keep the whole system working. One of the many ways of doing it is through music."



Frank Luntz, 32
Republican pollster and analyst

IF THE REPUBLICAN PARTY ADOPTS the so-called big-tent policy to attract more voters from the political center, Frank Luntz will be holding up the flap. A flamboyant campaign strategist in a button-down party, Luntz sees himself as a kind of political Johnny Appleseed, "planting words and phrases for the Republican candidates all over the country." Those messages, shaped with the help of Luntz's focus groups and polls, bore fruit in the G.O.P.'s smashing ballot-box coup in early November. Although his irreverent style has proved off-putting

to some G.O.P. stalwarts—Ed Rollins has called him "impetuous"—Luntz's successes speak better of him. His admirers include Newt Gingrich, whose "Contract with America" he helped market; New York City maverick mayor Rudolph Giuliani, whose campaign Luntz advised; and the Washington Post, which awarded him its "Crystal Ball" for being the most accurate pundit in 1992.



Cynthia McKinney, 39
Congresswoman, Georgia

CYNTHIA MCKINNEY MAY BE the only elected official in the country to show up for work in gold lamé sneakers. As her choice of footwear might indicate, she is not one of the more timid members of Congress. "Whenever you see a good fight, get in it," is how this Democrat describes her leadership philosophy. Elected Georgia's first African-American Congresswoman in 1992, McKinney, a single parent, has been battling to improve the lives of the poor. She successfully fought for a larger tax break for working families and also for an EPA investigation into environmental contamination of an impoverished Georgia community. In addition, she has backed legislation to fund breast-cancer research and to protect access to abortion clinics. "Nobody minds when I lobby them because they always get a hug and a kiss," says the self-described maverick Congresswoman. "I don't practice the same good-of-boy, business-as-usual politics."



LUNINE: SUSAN BREW—UNIVERSITY OF AZ; LUNTZ: MARTIN SIMON—SABA; MARSALIS: NUBAR ALEXANIAN; MCCLURE: SHELLY KATZ—GAMMA LIAISON; FOR TIME; MCKINNEY: DENIS PAGOUD—AP



Wayne Meisel, 35
Founder, COOL

A SELF-APPOINTED FORMER "ROADS scholar," Wayne Meisel took a 1,500-mile trek from Maine to Washington in 1984 to launch community-service projects on college campuses. From those seeds grew COOL, for Campus Outreach Opportunity League, a national group that involves 700 colleges and universities. Meisel was a primary architect of President Clinton's Na-

tional Service legislation, Americorps, passed by Congress in 1993. Like astronaut Sally Ride, Steven Jobs and Henry Cisneros before him, he is a recipient of the Jefferson Award for the greatest achievement in public service by an American under age 35. Meisel, who is dyslexic, is starting a program called "Dyslexics Untied" (a deliberate transposition of *united*) to work with similarly afflicted children. He now heads the Bonner Foundation, a charity based in Princeton, New Jersey, that grants 1,600 scholarships annually to students who perform community-service work.



R. Albert Mohler, 35,
Southern Baptist Seminary

IF CLARITY OF PURPOSE IS A requisite of leadership, then Al Mohler has what it takes. Barely into his second year as president of the prestigious Southern Baptist Theological Seminary in Louisville, Kentucky, he forced the resignation of the seminary's first-ever female theology professor on

the ground that her perceived liberal teachings were outside the boundaries of the institution's 136-year-old Abstract of Principles. In doing so, Mohler forcefully asserted his traditional values on the school and by inference on the entire 15 million-member Southern Baptist Convention. He also launched a school of evangelism, named after Billy Graham, and raised \$7 million for it. Mohler's conservatism is manifest, from his insistence on the authority of the Bible to the dark blue suits that dominate his wardrobe. "My first mission is to call the church back to the truth of the gospel," he says. "Only then will the church be a powerful force for the transformation of society."

Susan Molinari, 36

Congresswoman, New York

SPRINTING IN AND OUT OF 84 congressional districts in 36 states in support of her Republican comrades this campaign season was pretty heady stuff for a two-term Congresswoman from Staten Island. Susan Molinari not only met the demand but also managed to win her own third term by a remarkable 71%. Articulate but disarmingly nonconfrontational,



Molinari, a third-generation politician, describes herself as "an urban conservative," which means pro-choice, pro-gun control and pro-balanced budget. Currently campaigning for the vice chairmanship of the House's Republican Conference, Molinari is married to another Republican member of Congress from New York, Bill Paxon, a rising star in his own right. But even Paxon acknowledges his wife's ascent may be swifter: "I believe Susan's career potential is unlimited, and certainly I would be very content staying home with the kids and the dog while she pursues political ambitions."

Nancy-Ann Min, 37

White House budget official

REARED IN ROCKWOOD, TENNESSEE, by a single working mother, Nancy-Ann Min carries a soft heart for the disadvantaged, complemented by a hard head for management. At the University of Tennessee, she was the first woman to be elected student president. On a Rhodes scholarship she studied politics and economics, then earned a law degree from Harvard.

By age 30, she was running and reforming the 6,000-employee Tennessee department of human services. Her belief in activist government survived that experience, but Min grew



obsessive about cost-efficiency and skeptical of bureaucratic solutions. Those traits have placed her in conflict with some of the more starry-eyed of Clinton's health-care advisers but should serve Min and her President well in dealing with the new Republican Congress. "She's become a health-care expert," says White House chief of staff Leon Panetta, "but she's capable of just about anything."

Charles Munn, 39

Conservationist-zoologist

CHARLIE MUNN LOVES BIRDS so much that as a guest at a college friend's Vermont home, he took it upon himself to cover the kitchen windows with tree branches in order to deter warblers at a nearby feeder from crashing into the glass. He is recognized as the world's leading authority on wild macaws, having spent nearly 20 years studying the Amazon's large-

est and most endangered species of parrot. Fascination with one bird, however, has lead Munn to something far broader: habitat protection. He is a pioneer in promoting ecotourism as a means by which Third World nations can profit from nature without destroying it. To do this, Munn has raised hundreds of thousands of dollars so that remote wilderness areas can be bought by the people who care for them best: indigenous tribal communities. Result: Munn's forest reserves, conservation units and protected parks now encompass more than 9 million acres of South American rain forest.





Jim Nussle, 34
Congressman, Iowa

JIM NUSSLE HAS COME A LONG WAY since he protested the House banking scandal three years ago by addressing the chamber with a paper bag over his head and declaring, "It's time to take the mask off this institution." Along with the other "Gang of Seven" G.O.P. fiscal conservatives, Nussle has not only ripped off the mask but now, as head of Newt Gingrich's "transfor-

mation" team, has begun rearranging the innards of an institution that was run by Democrats for 40 years. He is uninterested in just tearing down the old structure, he says. "We're building a rocket ship while the thing is taking off." Ferrency committed to fiscal responsibility, Nussle voted against federal flood-relief funds—even for his own district—because his colleagues had failed to offset the aid money with spending cuts. "He sort of got a bum rap because of that bag thing," says Dave Yepsen, political editor of the Des Moines Register. "But I think there's a lot underneath that bag."

John Rogers, 36
Mutual-fund manager

THOUGH HE CAME OF AGE AS a financial whiz in the 1980s, John Rogers managed to avert the era's excesses. A believer in the philosophy that steady market tortoiseshells could beat impetuous hares, he patiently nurtured his mutual-fund company, Ariel Capital Management, into \$2 billion worth of assets. But what makes Rogers most unlike the Gordon Gekkos of Wall Street is his modest life-style and abundant public commitment. He has no second home or even a private office. He is also the first African American to serve as

the unpaid president of the \$300 million Chicago Park District, whose 3,000 employees are charged with running everything from the city's lakefront to its museums, zoos and Soldier Field. His wife Desirée, 35, runs the state's lottery and is a member of Illinois Governor Jim Edgar's cabinet. In addition, Rogers is paying tuition and expenses for 37 inner-city students from sixth grade through college.



Ralph Reed, 33
Executive director of the Christian Coalition

THOUGH A CRUSADER FOR CHRISTIAN values in American politics, Ralph Reed is not one to turn the other cheek. His angelic demeanor belies a James Carville-like tough-mindedness. As the executive director of the Christian Coalition, Reed aims to reconcile biblical conservatism with mainstream politics, and that makes him the single most

important strategist for the religious right. He has shrewdly expanded the Coalition's agenda to embrace conservative positions on term limits and balanced budgets, thereby wooing moderate Republicans, even as he rallies the growing bloc of voters who embrace traditional moral values. At the same time, Reed wages a holy war against secular liberals through hundreds of Coalition candidates on local school boards and city councils. The grass-roots campaign, he says, gives Christian politicians "the same permanence and status as unions, the feminists or the civil rights movement."



Condoleezza Rice, 40
Provost, Stanford University

IN HIGH SCHOOL, CONDOLEEZZA Rice's counsellor told her she was "not college material." Now she is the youngest, the first black and the first woman ever to serve as provost of Stanford, a position widely regarded as a stepping-stone to the presidency of a major American university. Not only did Rice prove to be college material, but she graduated from the University of Denver at age 19 and went on to become a leading Soviet scholar—a field that attracts few blacks. As a member of George Bush's National Security staff, she helped shape U.S. foreign policy during the demise of communism. Taking the Stanford job meant turning down the chance to run for Congress, but many expect to see her in Washington again. "She has the ability to have a Cabinet-level job," says Michael Mandelbaum of Johns Hopkins. "She could be Secretary of State." But having been a frontline witness to the collapse of communism, she says, "It doesn't really get much better than that."



Jeffrey Sachs, 40
Economist

JEFFREY SACHS IS TO AILING economies what Albert Schweitzer was to disease-stricken backwaters. As an adviser to the President of Bolivia for four years, this Harvard economist helped cut the country's commercial-bank debt in half. From 1988 to 1990, he took his financial-reform act to Argentina, Brazil, Ecuador and Venezuela. By 1989, the year

the Soviet bloc disintegrated, he was already helping Poland devise a plan for economic "shock therapy." Two years later, this unabashed purveyor of free-market capitalism was invited to lead a team into Russia to perform emergency resuscitation on a code-red economy. With former communist hard-liners creeping back to power, Sachs recently resigned his position as adviser to President Boris Yeltsin. Whatever the fate of Russia's on-again, off-again flirtations with reform, the peripatetic Sachs seems destined to retain—and enhance—his status as the world's best-known economist.



NUSSLE: TERRY ASHE FOR TIME; REED: DAVID BURNETT—CONTACT FOR TIME; RICE: MIKE MALONEY—SAN FRANCISCO CHRONICLE; ROGERS: STEVE LEONARD—CHICAGO BUSINESS; SACHS: MARK PETERSON—AP/WIDE WORLD



Bret Schundler, 35
Mayor of Jersey City

HE IS THE LAST PERSON ONE WOULD expect to see running Jersey City. More than half the population is nonwhite, over 14% of the city's residents are on welfare, and Democrats have controlled City Hall since 1917. Bret Schundler is white, prosperous (he once sold bonds on Wall Street) and a darling of the Republican Party. What makes him stand out in Jersey City, however, is

his accomplishments since being elected in 1992. In a mayor's office so corrupt that one of his predecessors' desks was actually rigged to drop bribes into visitors' laps, Schundler's fiscal proposals present a national model for urban reform—while casting the mayor as a potential candidate for national office. Schundler preaches a gospel of lower taxes, less government and “voucherizing” city services so that people decide for themselves who sweeps their streets and educates their kids. Says he: “We want those directly affected by services to be in charge of hiring them.”



Lawrence Summers, 40
Treasury Under Secretary

IF NOBELS RAN IN THE genes, Lawrence Summers would have a lock; two of his uncles—Paul Samuelson and Kenneth Arrow—have won the Prize for Economics, and Summers' colleagues have long thought him a favorite in his own right. Tenured at Harvard by age 28, the slightly rumpled, heavily laureled and intellectually overpowering economist joined the Clinton Administration as Under Secretary of the Treasury for International Affairs, advising Clinton on everything from currency markets to Japanese trade. Summers argued early on that just as democracies don't go to war with one another, countries with hyperinflation do not necessarily stay democratic, hence the need for more aid to Russia. “There's no greater challenge for the U.S. than sharing prosperity,” he says. “From Russia to Rwanda and Pretoria to Palestine, shared prosperity makes conflict less likely, democracy more viable and a healthy American economy more certain.”

planned, heavily laureled and intellectually overpowering economist joined the Clinton Administration as Under Secretary of the Treasury for International Affairs, advising Clinton on everything from currency markets to Japanese trade. Summers argued early on that just as democracies don't go to war with one another, countries with hyperinflation do not necessarily stay democratic, hence the need for more aid to Russia. “There's no greater challenge for the U.S. than sharing prosperity,” he says. “From Russia to Rwanda and Pretoria to Palestine, shared prosperity makes conflict less likely, democracy more viable and a healthy American economy more certain.”

Terri Swearingen, 37
Environmental activist

WHATEVER IT TAKES, READS the button Terri Swearingen wears, and whatever it takes is what Swearingen will do to shut down a hazardous-waste incinerator 1,100 ft. from an elementary school in East Liverpool, Ohio. A nurse and housewife, Swearingen has been arrested, has testified before Congress and has gone on a hunger strike. Her leadership of the Tri-State Environmental Council persuaded Ohio Governor George V. Voinovich to ban construction of more burners, the Ohio EPA to toughen its building-site criteria and the

federal EPA to announce an 18-month nationwide moratorium on new hazardous-waste incinerators. Ironically, the incinerator in her backyard is exempt. “Terri Swearingen, nearly on her own, raised the issue to a level that got the President's attention,” says Richard Woodruff, a former aide to Ohio Senator Howard Metzenbaum. “She has the facts; she's tenacious; she's committed; and she's right.”



Tavis Smiley, 30
Radio talk-show host

IN THE WILDLY POPULAR AND largely conservative medium of talk radio, a young black man unafraid to take on the white Establishment would not seem to have a promising future. But Tavis Smiley, self-styled “practical progressive,” is making a name for himself—in part because he is equally willing to admonish fellow African Americans who too quickly blame racism for their problems. Evenings, Smiley can be heard on Los Angeles' KMPC radio as co-host of a show that reaches a racially diverse twentysomething audience. Mornings,



he joins Ken and Barkley on L.A.'s No. 1 drive-time talk show with a mostly middle-aged white following. His success in engaging both blacks and whites on sensitive issues has earned him his own nationally syndicated radio spot, *The Smiley Report*, as well as TV appearances. Calling talk radio “the hottest medium in the country,” Smiley observes, “I am part of the political debate every single day.”

Urvashi Vaid, 36
Gay-rights advocate

WHEN HER FAMILY MOVED from India to Potsdam, New York, in 1966, says Urvashi Vaid, “we stood out like sore thumbs. Kids used to ask, ‘Did you grow up in a teepee?’” Years later, as a lawyer, writer and gay-rights leader, Vaid is still an outsider in a movement dominated by gay white men, but she is an outsider with clout. The first woman of color and Indian American to run the National Gay and Lesbian Task Force, she was often the only woman at meetings. “My revenge,” she says, “was to be really good.” Having strengthened the task force's base and broadened its mission, she stepped down to write, from her home in Provincetown, Massachusetts, a book about the mainstreaming of the gay and lesbian movement. Once she's finished, however, it's back into the fray, with the goal of “freeing people to move beyond the old roles assigned to them.” She flatly rules out running for office. “The temptation to compromise and cave in,” she says, “is too great.”

Indian American to run the National Gay and Lesbian Task Force, she was often the only woman at meetings. “My revenge,” she says, “was to be really good.” Having strengthened the task force's base and broadened its mission, she stepped down to write, from her home in Provincetown, Massachusetts, a book about the mainstreaming of the gay and lesbian movement. Once she's finished, however, it's back into the fray, with the goal of “freeing people to move beyond the old roles assigned to them.” She flatly rules out running for office. “The temptation to compromise and cave in,” she says, “is too great.”



SCHUNDLER: THOMAS E. FRANKLIN—THE RECORD; SMILEY: CRAIG S. JOON—ABC; SUMMERS: RICHARD BLOOM—SABA; SWEARINGEN: NINE WILKES; VAID: JAMES HAMILTON



Fidel Vargas, 26
Mayor, Baldwin Park, California

IN 1992 A SECURITY GUARD refused to let him walk into a U.S. Conference of Mayors meeting in Washington. Not unreasonable, considering that Fidel Vargas, as California's youngest mayor, could have easily passed for a courier. Since he receives only \$3,000 a year for running City Hall in Baldwin Park (pop. 72,000), Vargas can probably lay claim to provid-

ing taxpayers with the best value of any politician in the country. Elected at 23, he promised to combat prostitution and drug dealing, then stepped up police patrols and prohibited motels from renting rooms more than once in 24 hours. As a result, arrests fell from 150 to five. Vargas kept two other pledges by removing the ubiquitous graffiti and expanding a local community center. L.A. Mayor Richard Riordan, for whom he serves as a public-safety policy analyst, calls Vargas "one of the most focused and confident young leaders I've come across." His goal is a seat in the U.S. Senate.

Rebecca Walker, 25
Co-founder
Third Wave

THE DAUGHTER OF AN interracial couple who married in defiance of Mississippi's antimiscegenation laws, Rebecca Walker is true to her birthright: she continues to agitate. Upon graduation from Yale in 1992, she co-founded Third Wave Direct Action Corp., a national nonprofit organization dedicated to grooming female leaders. Her first challenge was Freedom Summer '92, a voter-registration drive that produced 20,000 new voters, most of them low-income, young women of color. For her efforts, Walker was named Feminist of the Year by the Fund for the Feminist Majority. These days she is spearheading Third Wave On Line, a fundraising campaign aimed at connecting young women in cyberspace. Walker also writes about women's issues, with an eye toward broadening feminism beyond the white middle class—an accomplishment that must make her mother, novelist Alice Walker, very proud.



Kevin Vigilante, 40

Founder, Community Outreach Clinic

IN HIS CAMPAIGN FOR CONGRESS from Rhode Island's 1st District, Democrats claimed he was a tool of the medical lobby, intent on protecting doctors' lavish life-styles. He lost—to Patrick Kennedy—by 13,000 votes. Now Dr. Kevin Vigilante is back leading a life that is anything but lavish: treating HIV-infected women, as well as females at risk of contracting the virus, and teaching at Brown University Medical School. In the past three years he has done volunteer work in a Romanian orphanage, opened an inner-city clinic for women released from Rhode Island's



Adult Correctional Institute and treated HIV-positive women in the prison. "Most people who make public policy don't see those things," he says. "I learned about it firsthand." In his campaign, he proposed restructuring the tax code to include credits for the uninsured. Uncertain whether he will seek public office again, the doctor believes government must solve problems beyond a physician's reach.

Oprah Winfrey, 40
Talk-show host

SHE HAS TURNED AN emotional flair for asking all the right questions into earnings of more than \$50 million a year. Oprah Winfrey has become one of the wealthiest women in show business, so it's no wonder that she has cooked up a satellite dish of talk-show clones. But Winfrey has also managed to distinguish herself from the world's Sally Jessys. Her company, Harpo Productions, has been recognized as a purveyor of quality films and programming. With fiancé sports-marketing executive Stedman Graham, Winfrey founded



Families for a Better Life, which will finance the relocation of 100 inner-city Chicago families. Even more notably, she helped bring about the National Child Protection Act. It was Winfrey, a survivor of sexual molestation, who proposed that Congress establish a data bank to track child abusers. With luck, her emulators will follow suit if she fulfills her pledge to avoid tawdry topics on her TV show.

Naomi Wolf, 32
Feminist author

DEVOID OF ANY STRIDENT provocateurs, feminism in the 1980s resembled a ghost town. It was Naomi Wolf's 1991 book, *The Beauty Myth*, that helped bring the movement back to life. In it, the Yale graduate and Rhodes scholar posited that women are hindered by the marketing of unrealistic beauty standards. She vilified the \$20 billion-a-year

cosmetics industry for ensuring that women remain fixated on their looks. Wolf was not embraced by all feminists, but she certainly sparked a clamorous debate among them. Ironically, her second book, *Fire With Fire*, called for women to "build beyond" divisive tendencies within the feminist movement. "We need to realize the extent of our power as women, as the majority in a representative democracy," says Wolf, "and also to heal the breach between many millions of Americans who want gender equality." With Wolf still onstage, feminist discourse is not likely to fizzle.



VARGAS: AXEL COESTER—LOS ANGELES TIMES; VIGILANTE: JAMES J. MOLLOY—PROVIDENCE JOURNAL-BULLETIN; WALKER: TED THAI FOR TIME; WINFREY: WALTER MC BRIDE—AETNA; WOLF: SHONNA VALEREA FOR TIME

THE PRESIDENT HAS SEEN

12/8

Sent to
Ann Stock

REPORT DATE 12/04/94
REPORT TIME 05:06PM

Reception (Kennedy Center Honors) - Sunday, December 4, 1994 - 05:30PM
Contact Social Office X6340

THE PRESIDENT AND MRS. CLINTON

Good luck

A A Mr. & Mrs. Joe Abruzzese (Sheri)
CBS
A Mr. Edward Albee
Playwright
A A Mr. & Mrs. Alan Alda (Arleen)
Actor
A U Hon. Jane Alexander & Mr. Edwin Sherin
Chairman, National Endowment for the Arts
A A Mr. & Mrs. Paul A. Allaire (Kay)
Chairman & CEO, Xerox Corporation
A A Hon. Roger C. Altman & Ms. Jurate Kazickas
A A Mr. & Mrs. Army Archerd (Selma)
Los Angeles, CA
A A Mr. & Mrs. Truman Arnold (Anita)
President, Chairman & CEO, Truman Arnold Companies
A Mr. Gerald Arpino
(dancer, choreographer), The Joffrey Ballet
A R Mr. Edwin L. Artzt
Chairman & CEO, Procter & Gamble Company
A Ms. Marlies Hessel
A Miss Lauren Bacall
actress
A Ms. Joan Baez
Menlo Park, CA
A Mr. Robbie Baitz
New York, NY
A Mr. Joseph Mantello
A A Mr. Robert B. Barnett & Ms. Rita Braver
Williams & Connolly
A Miss Kathleen Battle
New York, NY
A Mr. Dean Mitchell
U U Mr. William C. Bauman & Ms. Phyllis R. Kaye
Washington, DC
A A Mr. & Mrs. Michel Bell (Catherine)
New York, NY
A A Mr. Renaldo Benson & Ms. Mary Smettler
The Four Tops
A A The Secretary of the Treasury & Mrs. Bentsen
A A Mr. & Mrs. Alan Bergman (Marilyn)
c/o ASCAP
A A Mr. & Mrs. Stuart A. Bernstein (Wilma)
Washington, DC
A A Mr. & Mrs. Theodore Bikel (Rita)
President, Associated Actors & Artistes of America, AFL-CIO

Reception (Kennedy Center Honors) - December 4, 1994

A A Mr. & Mrs. Henry W. Bloch (Marion)
Kansas City, MO
A Ms. Ruth Bowen
A Ms. Shelby Brown
New York, NY
A Hon. J. Carter Brown
Chairman, NCA, Leadership Council
A Ms. Judith Olney
A A Hon. Carol M. Browner & Mr. Michael Podhorzer
Administrator, Environmental Protection Agency
A Mrs. David K.E. Bruce
Washington, DC
A Mr. David S. Bruce
A Mr. Clarence Bryant
A A Mr. & Mrs. Harold Burson (Betty)
New York, NY
A A Mr. & Mrs. Stuart Burton (Abbe)
Plainview, NY
A A Mr. & Mrs. Sid Caesar (Florence)
actor/comedian
A A Mr. & Mrs. William N. Cafritz (Anita (Buffy))
Bethesda, MD
A A Mr. & Mrs. Benny Carter (Hilma)
Los Angeles, CA
A Mr. Schuyler G. Chapin
Commissioner, Department of Cultural Affairs
A Mr. Theodore Chapin
New York, NY
A Mr. George Christy
Los Angeles, CA
A A Mr. & Mrs. John L. Clendenin (Ann)
Chairman, President & CEO, BellSouth Corporation
A A Mr. & Mrs. John Cochran (Barbara Cohen)
White House Correspondent, NBC News
A Mr. Cy Coleman
(pianist, composer), Cy Coleman Enterprises
A A Mr. & Mrs. Herbert Collins (Sheila)
Gloucester, MA
A Miss Betty Comden
New York, NY
A Mr. Edwin L. Cox
Dallas, TX
A A Mr. & Mrs. Walter Cronkite (Betsy)
CBS-TV
U Mr. Kecalff Cunningham
Bloomfield Township, MI
A Mr. Martaez Cyars

Reception (Kennedy Center Honors) - December 4, 1994

A A Mr. & Mrs. Hal David (Eunice)
lyricist, ASCAP
A A Mr. & Mrs. Gordon Davidson (Judi)
(theatrical producer, director)
A Ms. Thulani Davis
New York, NY
A Mr. Eric Douglas
Beverly Hills, CA
A A Mr. & Mrs. Kirk Douglas (Ann)
Beverly Hills, CA
A A Mr. & Mrs. Michael Douglas (Diandra)
Los Angeles, CA
A Mr. Cameron Douglas
A A Mr. & Mrs. Peter Douglas (Lisa)
Los Angeles, CA
A Mr. Cameron Douglass
A A Mr. & Mrs. Garth Drabinsky (Pearl)
A A Hon. & Mrs. William Draper (Phyllis)
New York, NY
A A Hon. & Mrs. Kenneth Duberstein (Sydney)
Duberstein Group, Inc.
A A Hon. (Dr.) Joseph Duffey & Hon. Anne Wexler
Director, United States Information Agency
A A Miss Nora Ephron & Mr. Nick Pileggi
New York, NY
A Mrs. Ellen Escat
Pasadena, CA
A A Mr. & Mrs. James H. Evans (Mary)
New York, NY
A Mr. Abdul Duke Fakir
The Four Tops
A Ms. Therese Fariello
A Mr. Martin Feinstein
General Director, The Washington Opera
A Ms. Marcia Feinstein
A Mr. Elliot Feld
Feld Ballets/NY
A Mr. William Finn
New Yooork, NY
A A Mr. & Mrs. Lawrence Fish (Atsuko Toko)
Brookline, MA
A Mr. Rob Fisher
New York, NY
A A The Speaker & Mrs. Foley
House of Representatives
A Miss Aretha Franklin
Bloomfield Township, MI

Reception (Kennedy Center Honors) - December 4, 1994

A Ms. Erma Franklin
Detroit, MI
U Mr. Eddie Franklin
Bloomfield Township, MI
A Ms. Irma Franklin
A A Mr. Martin D. Franks & Ms. Mari Schleuning
CBS
A Ms. Judith Friedlaender
guest of Eliot Feld
A A Hon. & Mrs. Craig L. Fuller (Karen)
Senior Vice President, Corporate Affairs, Philip Morris
Companies, Inc.
A Mr. Alexander Gaberman
New York, NY
A Mr. Davis Gaines
Alan Wasser Association
A R Mrs. Mary B. Galvin
Barrington, IL
A Mrs. Gail Ellis
U U Hon. & Mrs. Mark D. Gearan (Mary)
Director of Communications
A Miss Patricia H. Gerber
Lake Forest, IL
A Ms. Rolin S. Homet Jr.
A A Hon. (Amb.) & Mrs. Joseph B. Gildenhorn (Alma Lee)
U.S. Ambassador to Switzerland
A Mrs. Christina Ginsburg
boxholder
A Ms. Deborah Gould
Brooklyn, NY
A Mr. David Gould
Port Washington, NY
A A Dr. & Mrs. Eric Gould (Carolyn)
Great Neck, NY
A A Mr. Morton Gould & Ms. Claire Speciner
(composer), ASCAP
A R Mr. Adolph Green
New York, NY
A Mr. Ronald Barron
A A Mr. & Mrs. Hermen Greenberg (Monica)
Washington, DC
A A Miss Cynthia Gregory & Mr. Hilary Miller
New York, NY
A A Mr. & Mrs. Jenard Gross (Gail)
Houston, TX
A A Mr. & Mrs. Philip Guarascio (Ruth)
Vice President, General Motors Corporation

Reception (Kennedy Center Honors) - December 4, 1994

A Mr. Abe Guthrie
Housatonic, MA
A Mr. Arlo Guthrie
Housatonic, MA
A A Mr. & Mrs. John R. Hall (Donna)
Chairman & CEO, Ashland Oil, Inc.
A A Mr. & Mrs. Herbert "Herbie" Hancock (Gudrun "Gigi")
performer
A Hon. (Amb.) Pamela Harriman
U.S. Ambassador to France
A A Miss Rosemary Harris & Mr. John Ehle
Actress
A Mrs. Kitty Carlisle Hart
New York State Council of the Arts
A Ms. Danette Herman
U Ms. Kathryn Higgins
Chief of Staff to the Secretary of Labor, Department of Labor
R A Mrs. Tanya Hilton
A Mr. A.E. Hotchner
(author)
A A Mr. & Mrs. David Hulme (Robin)
The Ambassador Foundation
A Ms. Caroline Rose Hunt
Rosewood Corporation
A Mr. Charles M. Simmons
R A Mrs. Melinda Itoh
A A Miss Anne Jackson & Mr. Eli Wallach
actress
A Mr. William Jackson
U U Hon. & Mrs. Vernon E. Jordan, Jr. (Ann)
Akin, Gump, Strauss, Hauer & Feld
A Mr. Steven B. Kalafer
Annandale, NJ
A A Mr. & Mrs. Harry P. Kamen (Susan)
Chairman & CEO, Metropolitan Life Insurance Company
A R Mr. Stacy Keach
(Actor)
A Mr. Garrison Edward Keillor
Minnesota Public Radio
A Ms. Jenny Nilsson
U U Hon. (Sen.) & Mrs. Edward M. Kennedy (Victoria)
United States Senate
A A Mr. & Mrs. Roger G. Kennedy (Frances)
Director, National Park Service
A A Mr. & Mrs. Howard Kennedy (Karen)
KMTV
U Mrs. Barbara Kipper
New York, NY

Reception (Kennedy Center Honors) - December 4, 1994

A A Dr. & Mrs. John Kirkpatrick (Christiana)
A A Hon. Joel Klein & Ms. Harriet Davis
Deputy Counsel to the President
A A Mr. & Mrs. Jonathan Klein (Sara)
Group W Television
A Ms. Florence Klotz
A A Mr. & Mrs. Donald M. Koll (Dorothy)
Chairman, The Koll Company
A A Mr. & Mrs. Peter Kovler (Judy)
Director, Margorie Kovler Fund
A A Mr. & Mrs. John Kovler (Sally)
Chicago, IL
A R Hon. David Kusnet
Special Assistant to the President for Speech Writing
A A Miss Sherry Lansing & Mr. William Friedkin
Los Angeles, CA
A A Mr. Jaime Laredo & Miss Sharon Robinson
West Brattleboro, VT
A A Miss Michele Lee & Mr. Fred Rappaport
Los Angeles, CA
A A Mr. & Mrs. Harold Leventhal (Natalie)
New York, NY
A A Mr. & Mrs. Peter Lund (Theresa)
CBS
A A Mr. & Mrs. Bruce MacDonald (Sue)
Vice President, Corporate Communications Staff, General Motors
Corporation
A A Hon. & Mrs. Ira Magaziner (Susanne)
Deputy Assistant to the President & Senior Adviser for Policy
Development
A A Mr. Herbie Mann & Mrs. Susan Janeal Arison
Santa Fe, NM
A Mr. Martin Manulis
(film producer)
A Mrs. Jack C. Massey
Nashville, TN
A A Hon. & Mrs. James McClure (Louise)
A Mr. Roddy McDowall
North Hollywood, CA
U Hon. Nancy McFadden
Deputy Associate Attorney General, Department of Justice
R A Mrs. Mary Lou McGee
A Miss Maureen McGovern
(Singer)
U U Mr. & Mrs. Roger McGuinn
Orlando, FL
A A Hon. & Mrs. Thomas F. McLarty (Donna)
Counselor to the President

Reception (Kennedy Center Honors) - December 4, 1994

A Mr. Michael Meadvoy
Beverly Hills, CA
A Mr. Brian Merchant
A A Miss Dina Merrill & Commander Theodore R. Hartley
Actress
A Hon. Mark Middleton
Assistant to the President
A Ms. Whitney Williams
U R Mr. Donald Mischer
(tv director, producer)
A Mr. Arthur Mitchell
Dance Theatre of Harlem
A Ms. Virginia Johnson
A Ms. Ruth Mitchell
A A Hon. & Mrs. Robert Mosbacher (Georgette)
New York, NY
A A Mr. & Mrs. Fayard Nicholas (Barbara)
Los Angeles, CA
A A Mr. & Mrs. Alan Pakula (Hanna)
New York, NY
A A Hon. & Mrs. Leon E. Panetta (Sylvia)
Chief of Staff to the President
A A Mr. & Mrs. Lawrence Payton (Yoni)
The Four Tops
A A Mr. & Mrs. George A. Peapples (Rebecca)
Vice President, Industry and Government Relations, General Motors
Corporation
A Mrs. Katherine Pearce
General Motors Corporation
A A Mr. & Mrs. Frank H. Pearl (Geryl)
Rappahannock Investment Company
A A Mr. & Mrs. Jeff Peek (Elizabeth)
New York, NY
A A Miss Roberta Peters & Mr. Bertram Fields
Singer
A A Mr. & Mrs. Christopher Plummer (Elaine)
Weston, CT
A A Mr. & Mrs. Andre Previn (Heather)
(conductor/music director)
A A Mr. & Mrs. Harold Prince (Judy)
Harold Prince Organization
A Mr. Charles Prince
Harold Prince Organization
A Ms. Daisy Prince
Harold Prince Organization
A A Hon. & Mrs. Gerald Rafshoon (Eden)
Washington, DC

Reception (Kennedy Center Honors) - December 4, 1994

A A Miss Lynn Redgrave & Mr. John Clark
Topanga Canyon, CA
A Mr. Teddy Richards
Oak Park, MI
U U The Secretary of Education & Mrs. Riley
Department of Education
A Ms. Paula Robison
Brookline, MA
U U Mr. & Mrs. Michael D. Rose (Gayle)
Memphis, TN
A Ms. Jody Rutherford
Westport, CT
A A Mr. & Mrs. Wafic R. Said
A A Mr. & Mrs. Edwin Schlossberg (Caroline Kennedy)
New York, NY
A Mr. Kitama S. Seeger
Beacon, NY
A A Ms. Virginia Seeger & Mr. Phillip Jackson
Beacon, NY
A A Mr. & Mrs. Pete Seeger (Toshie)
Medal of Arts Winner
A Mr. Philip Jackson
A Mr. Dan Seeger
Topanga, CA
A Mr. Tao Seeger
Beacon, NY
A Ms. Mika Seeger
Sandy Woods Farm
A Miss Moraya Seeger Jackson
Beacon, NY
A Hon. Donna E. Shalala
Secretary of Health & Human Services
A Ms. Tracy Shayne (Schwartz)
Alan Wasser Associates
A A Hon. (Rep.) & Mrs. Bud Shuster (Patricia)
House of Representatives
A Mr. Ron Silver
President, Actors Equity Association
A Ms. Tawny Little
A Ms. Joy A. Silverman
New York, NY
A Mr. Nathan Learner
A A Hon. & Mrs. Leonard L. Silverstein (Elaine)
Silverstein and Mullens
A Mr. Tom Skerritt
Actor
A Mr. Collin Skerritt

Reception (Kennedy Center Honors) - December 4, 1994

A A Mr. & Mrs. Joshua I. Smith (Jacqueline)
The Maxima Corporation
A Mrs. Lydia G. Smith
General Motors Corporation
U Hon. Patti Solis
Special Assistant to the President & Director of Scheduling for
the First Lady
A Mr. Mark Spector
The Mark Spector Company
A A Mr. & Mrs. Alan Spoon (Terri)
The Washington Post Company
A A Hon. & Mrs. Roger L. Stevens (Christine)
Founding Chairman, The John F. Kennedy Center for the Performing
Arts
A A Mr. & Mrs. George Stevens, Jr. (Elizabeth)
Washington, DC
A Mr. Peter Stone
(playwright)
A A Mr. Howard Stringer & Dr. Jennifer Patterson
CBS
A A Mr. & Mrs. Henry Strong (Malan)
President, Hattie M. Strong Foundation
A A Mr. & Mrs. Levi Stubbs (Clineice)
The Four Tops
A Ms. Christina Sunnerstam
New York, NY
A A Miss Maria Tallchief & Mr. Henry D. Paschen
Chicago, IL
A R Dr. Billy Taylor
Jazz Pianist
A A Mr. & Mrs. Richard L. Thompson (Kathryn J.)
Bristol-Myers Squibb Company
A A Mr. Andrew Tisch & Ms. Ann Rubenstein
CBS
A A Mr. & Mrs. Laurence A. Tisch (Billy)
President, CBS Inc.
A Mr. Joseph W. Tkach
Chairman, The Ambassador Foundation
A A Miss Kathleen Turner & Mr. Jay Weiss
New York, NY
A A Mr. & Mrs. Saul Turteltaub (Shirley)
Beverly Hills, CA
A Miss Cicely Tyson
Actress
A Mr. Erwin More
A A Hon. (Dr.) Laura D'Andrea Tyson & Mr. Erik Tarloff
Chairman, Council of Economic Advisers

Reception (Kennedy Center Honors) - December 4, 1994

A A Hon. & Mrs. Jack Valenti (Mary Margaret)
President & CEO, Motion Picture Association of America
A Ms. Alexandra Valenti
A Mrs. Nick Vanoff
Beverly Hills, CA
A Mr. Martin Manulis
A A Mr. & Mrs. Edward Villella (Linda)
Artistic Director, Miami City Ballet
A Ms. Irina Ward
Mike Medavoy's Office
A Dr. William Warfield
Chicago, IL
A A Mr. & Mrs. Lewis R. Wasserman (Edith (Edie))
Chairman & CE, Universal City Studios
A Miss Wendy Wasserstein
(playwright)
A A Mr. & Mrs. Goro Watanabe (Yasuko)
President & CEO, Mitsui & Co.(U.S.A.), Inc.
A A Mr. & Mrs. Samuel A. Waterston (Lynn)
actor
A A Mr. & Mrs. Thomas E. Wheeler (Carol)
C.I.T.A.
A Mr. Renault White
New York, NY
A Hon. William White
Deputy Secretary, Department of Energy
A Ms. Andrea Ferguson
A Mr. Lawrence J. Wilker
President, The John F. Kennedy Center for the Performing Arts
A Ms. Elizabeth Cross
A A Mr. & Mrs. Joe Williams (Jillean)
performer
A Hon. (Rep.) Charles Wilson
House of Representatives
A Ms. Sheila McMullen
A Mr. George C. Wolfe
New York Shakespeare Festival
A A Hon. & Mrs. James D. Wolfensohn (Elaine)
Chairman, The John F. Kennedy Center for the Performing Arts
A Ms. Sara Wolfensohn
New York, NY
A Mr. Martin Shampaine
A A Mr. & Mrs. Edgar S. Woolard, Jr. (Peggy)
Chairman of the Board & CEO, E.I. du Pont de Nemours & Co., Inc.
A A Hon. (Rep.) & Mrs. Sidney R. Yates (Adeline (Addie))
House of Representatives
A A Mr. & Mrs. Michael York (Patricia)
Los Angeles, CA

REPORT DATE 12/04/94
REPORT TIME 05:07PM

Reception (Kennedy Center Honors) - December 4, 1994

A A Mr. Jacques d'Amboise & Miss Carolyn George
New York, NY

A A Miss Carmen de Lavallade & Mr. Geoffrey Holder
New York, NY

Reception (Kennedy Center Honors) - December 4, 1994

REGRETS

R Mr. & Mrs. George Abbott
Miami Beach, FL

R Miss Kirstie Alley & Mr. Parker Stevenson
Universal City, CA

R Mrs. Ruth Artzt

R Mr. Chet Atkins
country singer

R Mr. Emanuel Ax
pianist

R Mr. Dan Aykroyd & Miss Donna Dixon
Culver City, CA

R Mr. Alec Baldwin & Miss Kim Basinger
Actor

R Mr. & Mrs. John R. Barnett (Mary)
Molson Breweries U.S.A., Inc.

R Mr. Mikhail Baryshnikov
Dancer

R Dr. Gretchen Becker
Los Angeles, CA

R Mr. Tony Bennett
singer

R Miss Candice Bergen & Mr. Louis Malle
Actress

R Hon. & Mrs. Erskine Bowles (Crandall)
Assistant to the President & Deputy Chief of Staff for White
House Operations

R Mr. & Mrs. David Brinkley (Susan)
ABC News

R Miss Betty Buckley
New York, NY

R Miss Grace Bumbry
New York, NY

R Miss Carol Burnett
South Pasadena, CA

R Mr. George Burns
Los Angeles, CA

R Mr. & Mrs. Michael Caine

R Miss Zoe Caldwell & Mr. Robert Whitehead
Pound Ridge, NY

R Mr. Cab Calloway *(dec) & Mrs. Zulme Calloway
singer

R Ms. Mariah Carey & Mr. Tommy Mottola
Singer

R Ms. Mary Chapin Carpenter
(singer)

Reception (Kennedy Center Honors) - December 4, 1994

R Mr. Jose Carreras
Beverly Hills, CA

R Mr. & Mrs. Johnny Carson (Alexis)
Former Tonight Show Host

R Miss Cyd Charisse & Mr. Tony Martin
Los Angeles, CA

R Mr. Ray Charles
(musician/singer)

R Mr. & Mrs. Chevy Chase (Jayni)
Actor

R Miss Claudette Colbert
(Actress)

R Miss Natalie Cole & Mr. Andre Fischer
Musician

R Mr. & Mrs. Perry Como
Jupiter, FL

R Mr. Kevin Costner
(Actor)

R Mr. Hume Cronyn
Actor

R Mr. & Mrs. Billy Crystal
Los Angeles, CA

R Mr. Ted Danson
President, American Oceans Campaign

R Mr. John Denver
singer, composer

R Mr. & Mrs. Joel Douglas
Beverly Hills, CA

R Mr. Richard Dreyfuss
Actor, Dreyfuss/James Productions

R Miss Katherine Dunham
East St. Louis, IL

R Mr. & Mrs. Robert Duvall
Actor

R Miss Sheena Easton
Sherman Oaks, CA

R Miss Suzanne Farrell
New York, NY

R Miss Ella Fitzgerald
Beverly Hills, CA

R Miss Jane Fonda & Mr. Ted Turner
Pacific Palisades, CA

R Mr. & Mrs. Harrison Ford
Actor

R Miss Jodie Foster
actress

R Mr. & Mrs. Morgan Freeman (Myrna Colley-Lee)
Actor

Reception (Kennedy Center Honors) - December 4, 1994

R Mr. Robert W. Galvin
R Mr. & Mrs. James Garner
Santa Rosa, CA
R Mr. & Mrs. Larry Gelbart (Pat)
(writer, producer)
R Mr. Richard Gere & Miss Cindy Crawford
New York, NY
R Mr. & Mrs. Mel Gibson
Burbank, CA
R Mr. & Mrs. Danny Glover
Actor
R Hon. & Mrs. Albert Gore (Mary Elizabeth (Tipper))
The Vice President
R 126944 Louis Gossett, Jr.
(actor)
R Miss Phyllis Newman
R Mr. John Guare & Miss Adele Chatfield-Taylor
President, American Academy in Rome
R Mr. Gene Hackman
(actor)
R Mr. Lionel Hampton
Jazz Musician, Lionel Hampton Enterprises
R Hon. (Sen.) & Mrs. Mark O. Hatfield (Antoinette)
United States Senate
R Miss Goldie Hawn & Mr. Kurt Russell
Burbank, CA
R Miss Glenne Headly & Mr. Byron McCulloch
Los Angeles, CA
R Miss Katharine Hepburn
New York, NY
R Hon. Steven Hilton
Deputy Assistant to the President & Deputy Director of Public
Liaison
R Mr. & Mrs. Gregory Hines (Pam)
actor/dancer
R Miss Lena Horne
Horne-Hayton Enterprises
R Hon. Harold Ickes & Ms. Laura Handman
Deputy Chief of Staff
R Mr. Will Itoh
Executive Secretary for National Security Affairs, NSC
R Mr. Don Johnson
Actor
R Mr. Quincy Jones & Ms. Nastassja Kinski
Quincy Jones Productions
R Mrs. Malgosia Keach
R Mr. Michael Keaton
Actor

Reception (Kennedy Center Honors) - December 4, 1994

R Mr. & Mrs. Gene Kelly (Patricia)
Beverly Hills, CA
R Mr. Val Kilmer & Ms. Joanne Whalley-Kilmer
Los Angeles, CA
R Mr. Kevin Kline & Miss Phoebe Cates
New York, NY
R Mrs. Ruth Wattenberg
R Miss Patti LaBelle
R Mr. Martin Landau
Los Angeles, CA
R Miss Jessica Lange & Mr. Sam Shepard
Los Angeles, CA
R Mr. & Mrs. Hal Linden (Frances)
Los Angeles, CA
R Mr. & Mrs. Yo-Yo Ma (Jill Horner)
Cellist
R Miss Shirley MacLaine
Los Angeles, CA
R Mr. John Malkovich
(actor)
R Mr. & Mrs. Joe Mantegna (Arlene)
Actor
R Mrs. J. Willard Marriott
Washington, DC
R Mr. Peter Martins & Miss Darci Kistler
New York City Ballet, Inc.
R Miss Mary Elizabeth Mastrantonio
New York, NY
R Mr. Johnny Mathis
Rojon Productions
R Mr. Robert M. McGee
President, Occidental Petroleum Corporation
R Maestro & Mrs. Zubin Mehta (Nancy)
Ramsey, NJ
R Mr. Gian Carlo Menotti
New York, NY
R Sir Yehudi Menuhin & Lady Diana Menuhin
R Mr. & Mrs. Robert Merrill (Marion)
New Rochelle, NY
R Miss Bette Midler & Mr. Martin Von Haselberg
Burbank, CA
R Mr. Arthur Miller & Ms. Inge Morath
Roxbury, CT
R Miss Liza Minnelli
Actress
R Mrs. Susan Mischer
R Mr. & Mrs. Dudley Moore
Venice, CA

Reception (Kennedy Center Honors) - December 4, 1994

R Mr. & Mrs. R. William Murray (Joan)
Philip Morris Companies, Inc.

R Mr. & Mrs. Bill Murray
New York, NY

R Mr. Liam Neeson & Miss Natasha Richardson
Beverly Hills, CA

R Mr. Harold Nicholas & Ms. Rigmor Newman
New York, NY

R Mr. Jack Nicholson
Beverly Hills, CA

R Ms. Marsha Norman & Mr. Tim Dykman
(playwright)

R Mr. Edward James Olmos & Mrs. Lorraine Bracco-Olmos
Actor

R Mr. & Mrs. Harry J. Pearce (Katherine)
General Motors Corporation

R Mr. & Mrs. Gregory Peck (Veronique)
Los Angeles, CA

R Mr. Ronald O. Perelman & Ms. Patricia Duff
Chairman & CEO, Revlon

R Miss Bernadette Peters
(actress)

R Miss Michelle Pfeiffer & Mr. David E. Kelley
Actress

R Hon. & Mrs. John Podesta (Mary)
Assistant to the President & Staff Secretary

R General & Mrs. Colin L. Powell (Alma)
former Chairman, Joint Chiefs of Staff

R Miss Leontyne Price
Singer

R Mr. Samuel Ramey
New York, NY

R Mr. Tony Randall
New York, NY

R Hon. & Mrs. Abraham Ribicoff (Casey)
New York, NY

R Mr. & Mrs. Lloyd Richards (Barbara)
New York, NY

R Mr. & Mrs. Lionel Richie
Los Angeles, CA

R Mr. Tim Robbins & Miss Susan Sarandon
Los Angeles, CA

R Miss Ginger Rogers
Rancho Mirage, CA

R Miss Diana Ross & Mr. Arne Naess
Los Angeles, CA

R Miss Winona Ryder
Los Angeles, CA

Reception (Kennedy Center Honors) - December 4, 1994

R Miss Carol Bayer Sager
Beverly Hills, CA

R Mr. & Mrs. Tom Selleck (Julie)
Actor

R Mr. & Mrs. Robert Shaw (Caroline S.)
Orchestra Conductor/Choral Director

R Mrs. Jouett Shouse
Medal of Art Winner, Wolf Trap Center for the Performing Arts

R Mr. & Mrs. Francis Albert Sinatra (Barbara)
President, Sinatra Enterprises

R Mr. Wesley Snipes
Beverly Hills, CA

R Mr. Stephen Sondheim
New York, NY

R Miss Jean Stapleton
Los Angeles, CA

R Mr. & Mrs. William C. Steere, Jr.
Chairman, Pfizer, Inc.

R Mr. Isaac Stern
Violinist

R Miss Rise Stevens & Mr. Walter Surovy
New York, NY

R Mr. James Stewart
Beverly Hills, CA

R Miss Sharon Stone
East Greenwich, RI

R Miss Meryl Streep & Mr. Donald Gummer
Los Angeles, CA

R Miss Barbra Streisand
Barwood Films Ltd.

R Mr. Donald Sutherland
(actor)

R Mrs. Theodora Taylor

R Mr. Paul Taylor
Paul Taylor Dance Company

R Maestro Michael Tilson Thomas
New York, NY

R Mr. Helgi Tomasson
Artistic Director, The San Francisco Ballet Association

R Mr. John Travolta & Miss Kelly Preston
Encino, CA

R Mr. Tommy Tune
New York, NY

R Mr. & Mrs. Charles R. Walgreen III (Kathy)
Lake Forest, IL

R Mr. & Mrs. Tony Walton
New York, NY

REPORT DATE 12/04/94

REPORT TIME 05:07PM

Reception (Kennedy Center Honors) - December 4, 1994

R Mr. & Mrs. Denzel Washington (Pauletta)
Culver City, CA
R Miss Sigourney Weaver & Mr. Jim Simpson
New York, NY
R Hon. William Webster
Deputy Assistant to the President
R Mr. & Mrs. Billy Wilder (Audrey)
(director, producer)
R Maestro & Mrs. John Williams
Los Angeles, CA
R Mr. James Woods
(actor)
R Miss Irene Worth
New York, NY

THE WHITE HOUSE

¹²⁻⁷⁻⁹⁴
To Macintyre

— Fyl-Pls Do min w/this
Dear Mr. President to him on the

Thank you for the opportunity to stay
in this historic home. It was a
great treat for both Rhonda & I.

Great speech last night. Without the
encumbrance of a Democratic majority
your message can now reach the
clarity that you spoke of.

We have had a good year in
wrapping up my administration.

Attached is some information that
you might find interesting.

Happy Holidays.

Your friend,

David Walter



TGVP

12-7-94

12/8

also copied
to ~~Dorisk~~
Doriskind

Pls see letter inside —
Have this proposal reviewed
then I need a response back
to her —



The University of Oklahoma

COLLEGE OF ARCHITECTURE

December 5, 1994

The President
The White House
Washington D.C.

Dear Mr. President:

While lunching with my new friend, Governor Walters, yesterday, I learned that he would be staying with you at the White House tomorrow. He volunteered to bring this letter and a copy of my book, Design with Nature, and deliver them to you.

My message is simple. Announce your determination to undertake a National Ecological Inventory. Also announce that you will make available the rich, global environmental data, accumulated for nuclear war, invaluable for managing the nation and the world's resources. Release for public access and use the capability and data reposing in DOD, DOE, DMA, NASA, CIA and NSA to support environmental monitoring of the nation and the earth. The problems of global warming, desiccation, diminished biodiversity, increased climatic violence, coastal inundation and ozone attenuation all require the preparation of national and domestic inventories.

I described this in a document which I wrote at the request of former EPA Administrator, William Reilly, entitled "A Prototype Database for a National Ecological Inventory".

The underlying theory reposes in Design With Nature.

I believe that the promise found in the reduction in the threat of the atomic cataclysm is matched only by the decision to undertake national and global inventories. Should you so act, you would assume leadership worldwide of the environmental movement in the same way that President Gorbachev set the stage for the possibility that the world will be free of the threat of nuclear war. This could well be the most positive and hopeful act for the future of life and man.

In September 1990, President George Bush awarded me the National Medal of Art. He stated then, "It is my hope that the art of the 21st century will be devoted to restoring the earth." I trust that you subscribe to this sentiment.

Sir, please announce your historic decision to learn how the world works in order that we can plan and manage for human health and well being.

Respectfully,

Ian L. McHarg
Fall 1994 Bruce Alonzo Goff Professor of Creative Architecture

ILM/nnm

Attachment

CHARGE

DESIG

NATUP

*Leon
on his
letter*

WHITE HOUSE
WASHINGTON

December 6, 1994

Hays T. Sullivan
Post Office Box 206
Burdette, Arkansas 72321

Dear Hays:

Thanks for your letter of November 15 and for
your sharing your concern about next year's
farm bill.

I really appreciate what you said about Miles.
I'm forwarding your letter to Leon Panetta,
Chief of Staff, for his consideration.

Please give your mother my best regards and
tell her that I'm looking forward to another
one of those pecan pound cakes!

Sincerely,

Bill

*I'd love the
pecan cake!*

November 15, 1994

President Bill Clinton
Office of the President
Attn: Mark Middleton
The White House
Washington, D.C. 20500

Dear President Clinton:

I have just talked to our friend Sam Kitadi and we are proud of you for extending your hand to the Republican leadership, to work with them, to continue to make our nation greater, and if you work it just right, it will assure you of four more years.

I do have great concern for the farmers and ranchers with the writing and passing of the 1995 farm bill. With a great number of the House and Senate Agricultural Committee members being new and in Republican control, there is no telling what the farmers will get out of this bill; maybe a boot out of the door.

Miles Goggans, former member of your staff, and his secretary Jackie Robinson, were run off from USDA by Assistant Secretary of Agriculture Ron Blackley, who is now under investigation for wrong doings. They were the last and only contact that farmers and ranchers for Clinton-Gore in '92 had at USDA.

Miles is back in Arkansas doing consulting work and doing real good. Jackie was unemployed for nine or ten months and is now working for the National Cotton Council. Mr. President, she was a jewel, like Miles, working with the farmers in every state, and knowing most of them on a first name basis.

I recommend that Miles be put to work as a consultant by the White House, USDA, Senate Agriculture Committee or by someone to ride herd over and look after the interest of the grass roots farmers.

Miles can do this because of his vast knowledge of farmer, rancher, forest, and EPA problems that must all be meshed together in the new farm bill. He was very instrumental as a member of Senator David Pryor's staff in writing the 1991 farm bill and has a great trust and working relationship with Senator Kit Bond of Missouri, Senator Thad Cockran of Mississippi, and Republican members of the Senate Agriculture Committee.

Page 2
President Clinton
November 15, 1994

I would ask when your time permits, to talk to our friends Senator Pryor, Bob Nash, and Marion Berry, about Miles and if they feel he can help with this farm bill have someone to call Miles and ask if he will help.

Good luck on your trip to Asia and keep up the GATT fight.

My mother says hello and said she would make you another of her famous pecan pound cakes for me to deliver to you on my next trip to Washington, if the Secret Service would ok it. Maybe Robyn or Nancy could receive it.

Your friend always,

A handwritten signature in black ink, appearing to read 'Hays', with a long, sweeping horizontal line extending to the right.

Hays T. Sullivan

cc: Senator Pryor
Representative Lambert
Mr. Nash
Mr. Goggans

MILES M. GOGGANS

201 North Ash
Little Rock, Arkansas 72205
(501) 666-3566

EXPERIENCE

GOGGANS, INC., Little Rock, Arkansas

President January 1994 - present.

Serve as chief executive of a consulting and trading firm specializing in agricultural, timber, trade and political issues.

U.S. DEPARTMENT OF AGRICULTURE, Washington, D.C.

Special Assistant to the President for Agriculture, Trade and Rural Affairs Jan.-Sep. 1993

Served as liaison between the President of the United States and other Executive Branch offices, constituent groups and Members of Congress concerning agricultural and trade matters.

Acting Assistant Secretary for Congressional Relations June - September 1993

Served as principal liaison between the Secretary of Agriculture and the Congress, coordinating legislative agenda and monitoring activities on Capitol Hill.

PRESIDENTIAL TRANSITION OFFICE, Washington, D.C.

Director of Confirmation Process for USDA December 1992 - January 1993

Directed confirmation process for the Secretary of Agriculture and other presidential nominees.

Prepared and accompanied nominees for Senate confirmation process and courtesy visits to Members of Congress.

FARMERS AND RANCHERS FOR CLINTON/GORE '92, Little Rock, Arkansas

Director August - November 1992

Coordinated and directed efforts in rural communities of 22 states during the 1992 presidential campaign.

THE HONORABLE DAVID PRYOR, Washington, D.C.

Chief of Staff/Legislative Aide for Agriculture

Managed overall U.S. Senate office operations, including legislative, political and administrative functions from February 1992 through November 1992 and served as liaison between Senator Pryor and the Senate Agriculture, Nutrition and Forestry Committee, interest groups and constituents from January 1988 through November 1992.

ADDITIONAL SERVICE

Member, Agricultural Policy Advisory Committee for Trade, Washington, D.C.

Board Member, Farm Credit Bank for Western Arkansas, Russellville, Arkansas.

Member, Government Affairs Committee, Arkansas Forestry Association, Little Rock, Arkansas.

EDUCATION

UNIVERSITY OF ARKANSAS, Fayetteville, Arkansas

Degree: Bachelor of Arts, Political Science 1986



HAYS T. SULLIVAN
P. O. BOX 206
BURDETTE, AR 72321



PRESIDENT BILL CLINTON
OFFICE OF THE PRESIDENT
ATTN: MARK MIDDLETON
THE WHITE HOUSE
WASHINGTON, D.C. 20500



✓ ~~to~~ ~~Batchelor~~ ~~to~~ ~~Batchelor~~
got your ~~to~~ ~~Batchelor~~
G. M.

WHITE HOUSE
WASHINGTON

December 6, 1994

Dick J. Batchelor
Dick Batchelor Management Group, Inc.
Suite 1017
201 South Orange Avenue
Orlando, Florida 32801

Dear Dick:

Thanks for your very good letter of November 28
and for your fine suggestions.

I really appreciate your sending the columns
you wrote, as well as your October 13 letter to
Erskine. It's good to have your insight and
your ideas about what you think we should
concentrate on in the next two years. We
clearly have a lot of work to do. The American
people are frustrated with the pace of change
and with the way Washington goes about its
business.

Your encouragement and support mean a great
deal to Hillary and me. Thanks.

Sincerely,

Barack
you are in here!
Keep doing the columns for -
Thanks -

DBMG

They for reply

November 28, 1994

President William Jefferson Clinton
The White House
Washington, D.C. 20050

Dear Mr. President:

In recent meetings with Erskine Bowles I've had the opportunity to outline some of my suggestions relative to political strategy for your Administration. Let me hasten to add that I fully recognize that you have both personal and political advisors who are much more qualified than I to offer advice, but because of my personal support, I wanted to at least make a few suggestions and offer to be of continued assistance in any voluntary capacity.

In the interest of your time, I will enumerate these in abbreviated format with little elaboration:

- Reflecting back on your original announcement speech in Little Rock, I think you should reclaim the leadership on issues that have always been important to you, i.e., health care, welfare and campaign finance reforms, line item veto, education, job training, job creation, human rights, etc. While you have done a tremendous amount in these area, with the effective attack by the Republicans during the most recent campaigns, you have been denied credit.
- With your upcoming speech to the 10th Anniversary of the Democratic Leadership Council, this might afford an opportunity to refocus on the issues that have long been yours.
- The recommendation to either adopt a domestic policy strategy versus a foreign policy strategy, in my opinion, is dangerous. As I expect you agree, being the President of the most powerful nation in the world allows limited choice as to whether or not to be involved in international affairs - not to mention your successes in the Middle East, Haiti, North Korea, etc. On the other hand, with most of the strident debate being about internal (domestic) politics, and inasmuch as you have developed a very strong agenda in that area, it

(continued)

DICK BATCHELOR MANAGEMENT GROUP, INC.

201 S. ORANGE AVE., STE. 1017 • ORLANDO, FLORIDA 32801 • TEL: 407-841-4311 • FAX: 407-841-4313

President William Jefferson Clinton
November 28, 1994
Page Two

would be more prudent to focus on foreign and domestic policies. In the end, it will only matter that you did what was right.

- The Democratic National Committee needs to be put on "auto pilot" for a while and substantially restructured. First, it needs a national chairman who can go "head to head" with Haley Barbour or any Republican designee because, as you well know, television as a medium will influence a lot of opinions. I initially thought that former U.S. Senator James Sasser would be the perfect spokesperson (former Chairman of the Budget Committee - and very articulate in these matters). However, having lost his bid for re-election might harm his effectiveness. I do not think the party chair should be an operational or functional type; those people can be hired. I do think that it's going to be more difficult to raise money for the DNC unless there is a restructuring and more people are allowed input into strategic decisions. They can't all be made by northeastern/neltway consultants and party hierarchy. The message for the south and the midwest has been ill-conceived and ill-delivered. More people need to help develop and deliver the message.
 - I have suggested different ways (memo attached) that I thought would help better organize the political structure. As you will note, it involves developing a role involving Political Affairs, Political Liaison, the Democratic National Committee, with state based "political strike forces" to prepare for the 1996 election. This would be a very clear line delineation and direction as opposed to being tied up in the bureaucratic, cumbersome morass of a national party structure.
- See* | While the political consultants for the 1992 presidential election were most competent and do an excellent job as "talking heads", they might be losing their effectiveness. The DNC should use articulate Democratic Governors, Mayors and state legislators.
- I would hope that the First Lady becomes more and more visible. While she has been under undeserved attack for her role in health care reform, she is certainly well received as an advocate on more subtle issues related to health care. For instance, in my opinion, she would receive excellent press coverage for visiting targeted programs, i.e., child abuse prevention centers, spouse abuse centers, alzheimer's resource centers, or any program (hospital or community based) that focuses on the personal and/or medical needs of people at risk, particularly programs related to children or the elderly. Mrs. Clinton can continue to make health care an

President William Jefferson Clinton
November 28, 1994
Page Three

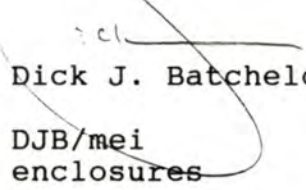
important issue by focusing the spotlight on "needs", but in such a way that it would be insulated from political bickering and cheap attacks by the Republicans.

- My suggestion is that you do more and more town hall type meetings. Obviously, you have an excellent command of the facts in these situations and they are a great tool for you to advance your agenda, not to mention getting you out into communities and outside captivity of the Beltway.
- Mr. Panetta needs to more strongly enforce loyalty to your agenda. I would not tolerate any "long knives" or public bickering amongst the staff or Cabinet members. This is a time when loyalty to you and the Administration and it's agenda is most critical.

Mr. President, I am hopeful that these suggestions are taken to be constructive, and that you know that I continue to be supportive and am willing to participate in implementing any strategies that would be supportive of you and your Administration.

Warm personal regards.

Sincerely,


Dick J. Batchelor

DJB/mei
enclosures

cc: Erskine Bowles

P.S. For your perusal, I've enclosed three articles I wrote, including the most recent from the Orlando Business Journal, which will also be published in the Tallahassee Democrat.

DBMG^{INC}

Dick Batchelor
Management Group, Inc.

October 13, 1994

COPY

Mr. Erskine Bowles
Deputy Chief of Staff
The White House
Washington, D.C. 20050

Dear Erskine:

First, I want to again congratulate you on your recent appointment and thank you for being so generous with your time. I do appreciate it.

As a follow up to our recent conversation on political matters, I wanted to restate my recommendation, and again offer to be of assistance. While I recognize that the Administration as well as the DNC have very capable people, I am equally confident that these types of plans can be better executed with a number of people helping at the different levels (state, local, etc.).

As you will recall, I had essentially suggested a state level Democratic political strike force. While that might not be the appropriate name, it basically reflects the functions of such a group. My thinking is that each state needs to have a team of approximately ten to twenty people (at most) who are informed and called upon on a regular basis to be proactive and, where necessary, react to certain political activities. This group should at least involve the following types of people:

- Someone who has chaired or directed a statewide campaign
- Someone who has been a key statewide fundraiser
- Someone who has professionally worked with the media on issues management, crisis management, primarily if not totally, in the political area.
- Someone who is very versed on public policy issues at the federal as well as the state level (so they can decipher the impact of the Administration's legislative proposals as well as the opposition's proposals as they relate to the states).

For instance, in the state of Florida, following is an example of such a political or operative team:

(continued)

Mr. Erskine Bowles
October 13, 1994
Page Two

1. Greg Farmer, Under Secretary, U.S. Travel & Tourism Administration. As you might know, Greg ran a congressional campaign, worked as an administrative assistant to then Congressman Buddy MacKay, and then ran Buddy's 1988 U.S. Senate race. He also served as Secretary of Commerce in the state of Florida before moving to his Administration position. In years past, he was Executive Director of the Florida Democratic Party.
2. Jay Hakes, Assistant Secretary, Department of Energy. Jay has a PH.D in history; he once worked for Cecil Andres at the Department of Interior in the Carter Administration. Was very active in the Carter campaigns, and has run U.S. Senator Bob Graham's campaign, as well as worked as one of his Administrative Assistants. Additionally, he worked for Congressman Pete Peterson's (D-Florida) campaign. He is very knowledgeable on state policy issues, as well as effective campaigning.
3. Karl Koch, Campaign Director for "Chiles for Governor" and was co-director for the "Clinton for President" campaign in Florida. Former assistant to Lt. Governor Buddy MacKay.
4. Jim Krog, Campaign Chairman for Governor Chiles' two gubernatorial campaigns. Jim is an attorney with Steel Hector & Davis law firm (Tallahassee office) and is very well respected as a lobbyist and campaign operative and enjoys credibility with the media.
5. Senator Darryl Jones. An African American senator from Miami. Gave Bill Clinton's nominating speech at the Florida Democratic Party's Straw Ballot in 1991. A very well respected member of the Senate, quite effective at get out the vote, as well as a great spokesperson, on key legislative issues.
6. Dick Batchelor. Has been a member of the legislature, involved in fundraising as well as strategic planning for statewide campaigns, and worked as a political analyst for broadcast outlets.
7. Sam Dubbin. Deputy Assistant Attorney General. Sam has been extensively involved in all phases of politics including fundraising, campaign strategy, etc. His vast knowledge of Florida politics, particularly South Florida, would be invaluable.

Of course, any involvement by federal government employees would take place after hours and would in no means be a conflict with

Mr. Erskine Bowles
October 13, 1994
Page Three

their official duties. The strike force team could also include other key individuals that could be recommended and/or approved by Lt. Governor Buddy MacKay, who I would suggest should serve as the group's chair.

I envision a group like this being invited to Washington to meet with Ms. Reta Lewis (Political Affairs), yourself, and Harold Ickes, with participation by Stan Greenberg, Paul Begala, Alexis Herman, and others designated by the White House or DNC. I would recommend that this group essentially work to develop a one-year strategy of things that "have to be done in Florida". This group would know the politics, the press, as well as all the political nuances of what needs to be done, and how best to get it done. Each state should have a game plan (in print, with time frames, assignments, etc.)

Another element of the plan should be to anticipate the Republican leadership's visit to each state, and not allow their very partisan attacks to go without challenge. For instance, if I knew Congressman Newt Gingrich was to make a speech to the Economics Club in Orlando, my job would be to develop some responsive statements so that the press would use them and not report his comments without some challenge as to their credibility.

Also, some consideration should be given as to whether or not to further coordinate these activities by involving the appropriate person at the DNC, DCCC, DSCC, and the FDP. A number of issues could be addressed including immigration, environmental protection (everglades cleanup), economic development, defense conversion and transition (base closure and jobs creation), etc.

Again, thank you for spending time with me on short notice. I hope I will have opportunities to work with you and your colleagues to discuss such strategies.

Although I recognize that this concept needs to be fine-tuned, I think it could be very effective. I have briefly discussed this with Reta Lewis, Joan Baggett, and very briefly with Harold Ickes (when I was introduced to him in your office by Nancy Hernreich).

Sincerely,

/ /ccc
Dick J. Batchelor

DJB/mei *mei*

cc: Harold Ickes
Nancy Hernreich

Reta Lewis
Alexis Herman

Joan Baggett

Some Republicans will backpedal on Contract with America

The Democrats overwhelmingly lost the elections on Nov. 8. Now is time to grasp the nettle, survey the political landscape, identify the mine fields, reassess our priorities and be prepared to stand and fight on issues of principle that are important to this country.

Nietzsche said, "Out of chaos comes order." I'm sure the American public want no more chaos, gridlock or blood sport; I do think they want honest and intelligent debate on the issues that were raised in the elections ... a move beyond the rhetoric to specific action.

As it should be, there will be some changes in tax law, welfare, foreign policy and the budget, but if the devil is in the details, the demons are in the politics. Let me outline some of the major challenges, risks and predictions regarding the Republican Party leadership:

■ **Newt Gingrich.** After the euphoria wears off, Speaker-to-be Newt Gingrich will quickly learn that it's a lot easier for him to throw political hand grenades than to catch them. He'll learn that the American public does want strident debate, but not gratuitous meanness.

His blaming the death of the two Smith children in Union, S.C., on failed Democratic policies, his refusal to return the congratulatory phone call from the president for some 90 minutes, and his incessant berating of "abnormal Americans" and "McGovernicks" does nothing but produce fodder for second-rate talk show hosts with their "Rush Limbaugh Starter Kits."

He can't question people's patriotism simply because they challenge his ideas. Voters voted Republican but they did not vote to do away with our democratic system.

Witness Sen. Jesse Helms' recent behavior when he first threatened the defeat of the GATT agreement and then questioned the president's role as commander in chief. That was a prelude of Senatorial hostage-taking on foreign policy matters. It's one thing to debate the president's policy on American troops in Haiti; it's much more reckless to trivialize the nuclear production agreement with North Korea or the fragile Middle East peace agreement.

Gingrich's relationship with Sen. Bob Dole, who will be the Senate majority leader, will be strained since



Comment
Dick Batchelor

Gingrich once called Dole "the tax collector for the welfare state."

■ **General Agreement on Trade and Tariffs.** GATT is the biggest tax cut in history, with about \$740 billion reductions in tariffs, which should lower prices and spark economic growth and put \$100 billion to \$200 billion per year into the U.S. economy by creating a great number of export related jobs. This is one opportunity for Dole and Gingrich to show bipartisanship.

■ **Balancing the budget.** Gingrich is proposing an economic theory called "dynamic scoring" that sounds a lot like the Laffer Curve. The theory is if you cut taxes, most of which benefit the wealthy, the savings will be invested to stimulate the economy. The risk here is that with the exception of a per-child tax credit that will have to be phased in, the middle-income wage earners will not see any real benefits of the Contract with America. The better target might be tax relief for the 21.5 million small businesses that employ 54 percent of the work force and generate approximately 50 percent of the private sector gross domestic product.

■ **Entitlements.** A real challenge is to cut entitlements, which (along with benefits) make up about half of the \$1.6 trillion in outlays projected for fiscal year 1996. The Republicans have already taken Social Security, defense and Medicare cuts off the table. Even if there is a political willpower to reduce Medicare costs you then have approximately 12 percent of the entitlement budget (\$140 billion) that goes to the needy (food stamps, Medicaid, Social Security Income, AFDC). You're only left with about 15 percent of the total entitlements (\$135 billion) from which to make cuts to balance the budget. Approximately \$20 billion is politically guarded veterans benefits. Agricultural subsidies cuts could save \$10 billion a year, but the political reality is that wheat subsidies favor Dole's farmers in Kansas, Helms' tobacco farmers in North Carolina, not to mention sugar, cotton and peanut subsidies.

But the Republicans will need to find another \$600 billion to \$700 billion in spending cuts over the next five years. A promised balanced budget amendment could be a diversionary tactic unless you actually move toward balancing the budget, as President Clinton has done.

Other costly promises include a 50 percent reduction in capital gains tax (\$58 billion), a family tax credit (\$500 for each child in families with incomes up to \$200,000) and a proposal to rescind the maximum amount of Social Security benefits subject to tax. While

all these promises are most appealing, they just don't add up.

My predictions:

■ During this debate we will see many of those who signed the Contract with America "rising above principle" or backpedaling on cuts that are parochial.

■ President Clinton will take the lead on welfare reform, line item veto, a modified health care proposal, as well as campaign and lobby reform, because he has been a major advocate for these issues.

■ Sen. Alfonse D'Amato, as chairman of the Senate Banking Committee, will overplay his power on the Whitewater investigations by having his staff leak rumors.

Subsequently, the media will focus on D'Amato's brother's role in defense procurement and HUD projects, as well as his refusal to release the confidential report of the Senate Ethics Committee investigation of his own behavior.

Helms, because of his personal relationship with Whitewater prosecutor Kenneth Starr, will inappropriately interfere in the investigation process.

■ During debates on foreign policy matters related to the Middle East and Haiti, Helms' philosophy on race and ethnic matters will be raised and embarrass the Republican leadership. The Christian Coalition and other conservative groups will have a falling out with Gingrich and Dole for refusing to aggressively advance the social agenda on which they ran.

■ The Republican leaders on the term limitation effort will be embarrassed when they try to grandfather in all incumbents, including themselves.

■ Health care reform will again be a major item for debate because of Medicaid and Medicare costs, which will enrage the American Medical Association and other powerful organizations who oppose such cuts.

■ With approximately nine potential Republican candidates for the presidency, there will be very heated competition for different constituencies within the Republican Party, thus forcing an internal debate on some of the provisions on the Contract with America, thus weakening Gingrich's influence to pass most of what he has outlined.

The debate will identify some very clear choices for strident and, hopefully, honest debate about the future of our country. That is what our system of government is about. Let's get on with the business of governing.

Dick Batchelor is a political consultant and president of DBMG Inc. in Orlando.

Clinton's tough choices in '93 bear economic successes today

By Dick Batchelor

SPECIAL TO THE SENTINEL

'Mr. President, I hate to admit it, but with mixed emotions I bought Bob Woodward's most recent book and my admittedly biased view is: The average person reading it would think you were brilliant. You have such a grasp of issues as complex as fiscal and monetary policy."

I had a chance to make that honest, albeit partisan, statement to President Clinton during a conversation shortly after Bob Woodward's new book, *The Agenda: Inside the Clinton White House*, hit the streets. Although the complimentary evaluation to the president could be dismissed by partisans, I think the book — after separating the details from the hype — makes the point over and over again.

In addition, in my opinion, *The Agenda* raises two key issues. First, the dynamics of making fundamental changes in domestic policies, and of bucking the odds to do so, entails a vicissitude of political battles. Second — and the most important issue the book raises — is the apparent lack of loyalty among some of the Clinton administration staff.

The Agenda gives readers mostly predictable insight into the strident debates that occurred when the new administration was trying to develop its economic policy. The Clinton team invited the wrath of so many special-interest groups because of its goal to reverse the strangling federal deficits by imposing more and more budget cuts. Woodward's style is to pique the interest of readers by revealing temperamental exchanges, peppered with profanity, among staff and consultants. Revealing stuff? So what!

Woodward's book devotes a lot of pages to the "skunk matches" surrounding the president's decision to attack the budget deficit rather than cut taxes for middle-income Americans.

Look at what Clinton has achieved by making that tough



Clinton's policies are helping to reinvigorate the American economy.

policy choice.

After steadily increasing for 12 years, the deficit is now projected to decrease three years in a row — for the first time since Harry Truman was in the White House. The budget should reduce the deficit by \$126 billion in fiscal 1995 alone — a 40 percent cut from what it would have been without the Clinton deficit-reduction plan.

Such tangible numbers may lack the sizzle of intrigue about policy debates that Woodward details in his book, but they prove that this president's policies are helping to reinvigorate the American economy.

Having vented myself, I must address the other major point raised by Woodward: the loyalty of Clinton's staff and consultants, of which there should be no question. Although the president has senior staff members who have and will continue to serve him ably, there apparently are some who are searching for their "15 minutes of fame," as Andy Warhol once put it. They seem forever looking for that grand offer by Alice Roosevelt Longworth when she said, "If you don't have something good to say about someone,

come sit next to me." Some aides have tripped on their tongues trying to get to the chair.

The office of the presidency commands the highest degree of loyalty. The president and his new chief of staff, Leon Penetta, should demand the same level of loyalty from staff that the president gets from his close friend and counselor, Mack McLarty.

It's simply a question of common decency and loyalty vs. insubordination. In today's mean-spirited and treacherous political arena, powerful interest groups have gone beyond clamoring to clawing to get their way. The president deserves the utmost respect and commitment. Clinton needs staff who are prepared to help disarm grenades, not throw their boss on them.

The issues with which the president must deal are enormous. His staff must show unity once he establishes his position.

He's already facing anvils of opposition. On health care, Bob Dole and Newt Gingrich have adopted the call of Edgar Allan Poe's *The Raven*, "Nevermore, nevermore." This obstructive mantra adds nothing substantive to the health-care debate.

On welfare reform, Clinton faces opposition not only from Republicans and their rehearsed indignation but also from a wing of the Democratic Party clinging desperately to past policies.

The Agenda tells us in great detail about the struggles to shape and win passage of the president's economic package last year. Today, we're witnessing the tangible, positive results of those efforts.

With his shake-up of his staff last week, look for renewed in-house loyalty to the president. Beyond that, as he delivers on his promise to reform health care and to "end welfare as we know it," expect renewed faith, and deservedly so, in Clinton's presidency.

Dick Batchelor of Orlando is a former member of the Florida House of Representatives who is active in Democratic Party politics.

After the triumph of freedom, challenges of freedom await

By Dick Batchelor

SPECIAL TO THE SENTINEL

The scene in South Africa will be etched in my memory forever. In Mamelodi, people began lining up before daybreak, and there were several hundred in line by 10 a.m., eagerly waiting to cast their first ballot. One elderly woman, burdened both by age and neglect, shuffled her frail body through the lines to mark her "X" on the ballot.

Her individual effort was emblematic of the long struggle for freedom in South Africa. She was there, as proud as could be. And, as with so many others, her tears were mixed with feelings of jubilation and sadness, conjuring up the image of Shakespeare's words, "But man, proud man, drest in a little brief authority . . . plays such fantastic tricks before high heaven as make the angels weep."

It was a personal privilege to witness firsthand this historic scene and others like it throughout the country as one of the eight members appointed by President

Clinton to the U.S. Presidential Observer Delegation to the elections in South Africa. The delegation's members, chaired by the Rev. Jesse Jackson, were charged with being impartial observers of the election process and with determining whether it was held in a free and impartial manner.

We visited Johannesburg, Cape Town and Pretoria, but, more important, the conservative, rural and mining towns as well as black squatter communities to see how the election mechanics functioned. The scene in Mamelodi I described earlier epitomizes the triumph of freedom in South Africa. Yet there was another scene I witnessed that heralds the challenge of freedom in this nation.

In Mandela village, people live with no running water or toilets in makeshift homes of corrugated tin, plywood and cardboard. Across the main road are expensive homes of the elite. Such disparities are a metaphor for South Africa's great challenges. The vote has given South Africans new hope, even though it will take considerable time for visible progress

to be achieved.

In meetings with Nelson Mandela and F.W. de Klerk, they have talked of commitments to build 1 million homes in the first year of the new South Africa and the need for education, health care and other basic essentials. These won't come easily or without assistance. The international community must now participate in South Africa's economic development. President Clinton on Friday will announce a substantial economic aid package in recognition of the new democratic government. In addition, our country already has lifted tariffs on more than 4,000 products that South Africa exports. Other countries need to do the same.

This new coalition government, which makes constitutional allowance for a Cabinet position for any political party that received more than 5 percent of the vote, should offer the political and economic stability for international corporations to invest in South Africa.

Although it is easy to romanticize South Africa's historic transformation, the importance of which could never be overstated, it is very critical that this experiment in nonracial democracy work by guaranteeing individual rights, a number of which can be ensured only by the economic successes of the country.

South Africa has a new flag, a new anthem, a new hope. Millions and millions of people shuffled through those voting lines with that elderly woman to cast a vote not simply for a candidate, but for a future for which they have been longing for decades. They now have expectations to meet. At 9,000 polling places, the anticipated violence did not take place. Everyone was courteous, but in a stifled democracy, as Henry David Thoreau said, "One can suffocate on courtesies." If this experiment does not work, such courtesies could be once again set aside.

Dick Batchelor of Orlando is a businessman and former member of the Florida Legislature.

THE WHITE HOUSE
WASHINGTON

DATE: 12/6/94

TO: LEON PANETTA
LAURA TYSON

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

ARTICLE

Macroeconomic Consequences of a Balanced Budget Amendment

As part of their "Contract With America," House Republicans have proposed a Constitutional amendment that would require the President to submit, and Congress to pass, a balanced budget each fiscal year. The amendment provides for its own suspension in the event that a declaration of war is in effect, or that the country faces "an imminent and serious military threat to national security," or that three-fifths of both houses of Congress vote to incur a deficit for the year in question. Strictly speaking, the proposed amendment does not require that the Federal budget end the fiscal year in balance. However, it does require that total outlays not exceed the budgeted level and that the stock of Federal debt not exceed a specified level. As a result, the proposed language would require that an unanticipated shortfall in revenues be made up within the fiscal year unless the Federal debt were below its allowable level.

* { **Fiscal policy and the stability of the macroeconomy.** In today's environment of budget caps and PAYGO rules, fiscal policy is essentially unavailable as a discretionary tool for smoothing out fluctuations in economic activity. Even so, the Federal budget acts in a passive manner to stabilize the economy in the face of such fluctuations. For example, when the economy goes into recession, tax revenues are lower and outlays for food stamps and unemployment insurance benefits are higher than they otherwise would be. Both reactions cushion the effect of a recession.

The proposed amendment would weaken this so-called "automatic stabilizer" aspect of the Federal budget. If the economy were to go into recession and outlays for income support were to rise, the government would likely have to cut other spending (or curtail eligibility for programs) just when the economy was in a weakened state. Under these circumstances, monetary policy would bear more of the responsibility for smoothing out fluctuations in the macroeconomy.

Could monetary policy fill the void? Even a well-executed monetary policy probably could not compensate completely for the loss of the fiscal automatic stabilizers. In large part, the inability of monetary policy to fill the void reflects the fact that monetary policy operates with a long lag. Its effects become noticeable within about 6 months, but persist for 2-3 years. By contrast, the fiscal automatic stabilizers go to work as soon as a laid-off worker collects an unemployment check.

Simulations of a model of the U.S. economy suggest that a typical recession might be about 25 percent deeper if monetary policy had to stabilize the economy on its own. (And that figure of 25 percent may represent a best-case estimate because it assumes that the Fed is able to discern an economic slowdown within six

months.) In addition, interest rates would exhibit wider swings because the Fed would have to move more aggressively to ease rates in the face of economic weakness and increase rates more sharply during an expansion.

Under a balanced-budget amendment, spending would be linked to interest rates. If interest rates were to fall, Federal outlays for debt service would also fall, creating some room for increases in spending in other categories. Thus, somewhat ironically, the existence of a stock of Federal debt outstanding would alleviate the adverse implications of the amendment for the stability of the economy. Moreover, the larger the debt, the greater would be the extent of this alleviation.

The linkage between government spending and interest rates would also have implications for the Federal Reserve. If the Fed were to raise rates, spending might have to be cut *within the fiscal year*. Roughly speaking, a 1-percentage-point surprise increase in interest rates, sustained over the entire fiscal year, might result in additional interest outlays—and hence unanticipated spending cuts—of \$5-10 billion. This linkage between interest rates and non-interest spending would increase the pressure on the Fed not to raise rates even when such a move would clearly be appropriate in the absence of budgetary considerations.

Conclusion. Thus, the proposed amendment would likely have adverse implications on three fronts: It would transform fiscal policy from an automatic stabilizer into an automatic destabilizer; it would disrupt the Federal budgeting process; and it would complicate the Fed's job of conducting monetary policy. A future article in the Weekly Economic Briefing could consider ways to structure a balanced-budget requirement that might mitigate these adverse effects.

A Balanced Budget Scenario

In January 1990, before it was apparent that the economy was headed into recession later that year, the Office of Management and Budget projected that Federal outlays in FY1991 would total \$1,257 billion. However, actual outlays exceeded that projection by \$66 billion, of which \$20 billion was attributed to changed economic conditions. For example, spending on food and nutrition assistance and unemployment insurance ran \$12 billion over budget. Had the proposed amendment been in force, spending for those two programs would have been capped (thus eliminating their "safety net" aspect) or other spending would have been cut. In addition, revenues came in \$102 billion under projections (\$67 billion of which was due to changes in economic conditions), and the amendment would have required that this amount be made up also.

the Fed
this year
the Fed
later

TO VP - in general I think
that's good — B.

THE PRESIDENT HAS SEEN
12/6/94

DRAFT POTUS PRESS CONFERENCE REMARKS --
ANNOUNCEMENT OF REGO #2
VERSION - 12/2/94

In 1992 I was elected with a mandate from the American people to create a government that put people first - a government that was smaller, more streamlined and that gave people the sense that their hard earned tax dollars were working. I set out to do that by asking the Vice President to lead a national performance review. As a result this Administration is on its way to creating the smallest federal workforce since John F. Kennedy was president; it has begun a revolution in the way the government does its business, a revolution that will guarantee continued savings and progress throughout the years.

In the year since we began to implement this report several independent observers have documented the profound changes that are occurring in the way our government operates. In September *Financial World Magazine* graded the management of our departments and found improvement across the board; the Brookings Institution called my Administration's efforts in this area "one of the most lively management reforms in American history", successful even beyond our own hopes. And yesterday, the Government Accounting Office, an independent agency, gave my Administration's efforts in this area high marks. In an exhaustive review of our efforts so far they said: "While the challenges are difficult, we believe that the potential benefits from a management paradigm shift are great and we are encouraged by the initial progress that has been made."

We believe we have made great progress in changing the way the government does its business - changes that we will continue next year when we submit a comprehensive civil service reform bill to the Congress and when we continue the streamlining and downsizing of the federal government.

But we are also ready for round two. The initial National Performance Review focused on *how* the federal government did what it did; the second National Performance Review will focus on *why* the government does what it does. So today, I am asking the Vice President to lead my Administration in a fundamental reevaluation of the federal government. The result will be, I predict, an historic and fundamental restructuring of the federal government.

Let me put it this way. In 1993 we drew a road map to a government that works better and costs less. In 1995 we will draw the map to a government that works better and does less.

This second reinventing government effort will be, like the first one, grounded in the belief that government should always put people first -- it should provide security and opportunity to a responsible citizenry. But how we accomplish these goals is the subject of an enormous debate not only in our own government but in the governments of other free countries all over the world. We have come to the point in history where all too often the size and the cost and the complexity of government have obscured the public good for which it was established in the first place. In order to restore the public's faith in democratic government we must reverse this.

But to do this well we need a scalpel, not a meat cleaver. Therefore I have asked the Vice President to organize his second comprehensive look at the federal government around the following principles:

1. *Obsolescence*

When a governmental function has outlived the purpose for which it was created we should eliminate it.

Let me give you an example. The field structure my Administration inherited at USDA was essentially the same field structure President Franklin Roosevelt had. It was rooted in an even

older policy; a policy that stipulated that the distance between field offices could not exceed the distance which a horse and rider could cover in a single day. Not surprisingly the first National Performance Review recommended eliminating many agricultural field offices and we are doing it. In fact, USDA will announce the first closings this week.

The first National Performance Review recommended elimination of many other obsolete programs as well from the wool and mohair subsidy to the helium program. But the fact is that many Americans have the impression that it is far too difficult to get rid of government programs that have outlived their initial purpose. And often they are right. This feeds the voters' anger and cynicism and it impairs our ability to free up resources to devote to new problems. A government that is still solving the problems of the 1920s and the 1930s is not a government that can solve the problems of the twenty first century.

That's why I will recommend as part of the 1996 budget that we terminate the Clean Coal program at DOE and (more to come from OMB.)

Furthermore, I will ask the Vice President to look at other possible terminations such as (more to come from OMB.)

2. Failure

Some things in the government are obsolete; others never worked in the first place. When a governmental program consistently fails to produce it should be eliminated and or replaced with a different program.

The first National Performance Review recommended changes to programs that had experienced chronic failure -- from AID to the Social Security Disability backlog -- all of which are underway.

But fixing government failure needs to be a regular part of the governmental process. That's why, in the summer of 1993 I signed a very significant piece of legislation - The Government Performance and Results Act of 1993. This act places the federal government on a course of measuring its results and eventually of making budget

decisions on the basis of those results. Shortly after that I instructed every part of the government that deals with the public to publish a set of customers service standards. We released nearly 1500 standards this fall and I invite the new Congressional leadership to measure us by how well we live up to those standards.

I have also asked my OMB Director Alvin Rivlin to institute a "spring review" of the budget which will focus on the performance of government agencies. In other words my Administration will be asking the following tough question about everything the government spends money on -- "What did we get for that money that is important to the American people?"

Already there are programs which are failing this simple, common sense test. We currently support 38,000 vacant units of public housing, housing units that is so poor and run down that most of the time they are vacant. I will propose eliminating these units in the 1996 budget and giving vouchers to those few tenants who don't move to other housing units. And I will propose repealing the excessively costly multifamily preservation program and rescinding the unobligated funds.

Furthermore, I will ask the Vice President to explore (more to come)

3. Federalism.

As a former Governor I continue to see the Federal government through the eyes of a Governor. Over the years alot has changed in the leadership of our states and cities. Programs that once upon a time had to be done at the federal level or they wouldn't have been done at all are these days frequently so tied up in federal red tape and micro-management that the people closest to the problems feel the money is wasted.

The time has come to take a look at the federal government and admit that when a federal governmental program or function can be done better by a state or local government it should be given back to the appropriate level. We need to ask "Where can we step back, give states and localities flexibility, stop micro-management or just get out of the way?"

The first National Performance Review recommended that we pursue both top down and bottom up consolidations of grants and that we turn management of public housing over to the local level. This week seven of my Cabinet members signed a Memorandum of Understanding with the State of Oregon which commits us to moving away from micro management and towards performance management in our dealing with a wide variety of federal/state problems.

But there is much more to be done. In the next year I will propose transforming the current formula grant-in-aid programs for highways, airports and transit into capital for State Infrastructure Banks which would have broader flexibility to select projects. In addition I will propose the consolidation of 60 programs now spread between the Labor Department and the Education Department into programs serving Adults and youth.

These are only the beginning however. In the next year the second round of reinventing government will consult the Governors and Mayors of this country and develop ways to totally reinvent the federal - state relationship. (Specifics to come from OMB)

4. Privatization.

Over the years we've accumulated federal programs and functions that are viable in the private sector.. It's time to look at many of these and ask "Does the federal government really need to do this?"

Some conservatives see privatization as a panacea for the ills of government. I don't. Let's face it, there are many important functions that won't get done unless the government does them. But times change. Things that were once not viable private sector activities can now return to the private sector. And other governmental functions suffer under practices that are ponderous in the private sector. That is why the first National Performance Review recommend that we move the Air Traffic Control system out of FAA and into a separate corporation. We hope that our Republican colleagues will take action on this soon.

In next year's budget I will propose that we privatize the Helium program, the United States Enrichment Corporation and implement prison privatizations for new minimum and low security prisons for a total of over 2 billion worth of savings in the next few years.

And I will ask the Vice President to explore even larger privatizations in the future including (more to come from OMB)

5. Subsidies.

Over the years the federal government picked out certain sectors of the economy and gave them a tax break or gave them a subsidy. Often there were good public policy reasons for doing so . But what made sense to subsidize 30 years ago may not make sense to subsidize today. We should look at all these subsidies and end those that no longer serve important national purposes.

The National Performance Review recommended the elimination of several subsidies that had outlived their national purpose. Federal supports for wool and mohair were finally ended twenty years after the Pentagon removed wool from its list of strategic materials! Similarly the first National Performance Review recommended that mining laws written in the 19th century be brought up to date. That didn't get done in the last Congress and just last month the Interior Secretary was compelled by an 1872 law to

sing over \$10 billion in gold for \$10,000 -- to a foreign corporation no less!

The persistence of obsolete subsidies is as irritating to the public as the persistence of obsolete programs. In the upcoming budget I will propose elimination of the cotton and honey programs at a savings of \$640 million dollars. Furthermore I will terminate Amtrak operating grants and take steps to privatize the economically viable routes.

More to come from OMB.

6. Duplication.

No one who have spent any time with this enormous federal budget can deny the fact that we often have tens, even hundreds of programs all designed to accomplish the same goal. This isn't always bad. There are some instances in which good government requires a certain amount of redundancy. But there are others where duplication only costs us money and creates confusion. We should identify those areas and end the duplication.

My Administration is currently working on a plan to close and consolidate federal field offices and regional office all over the country. This proposal was promised by the National Performance Review and is being led by the President's Management Council.

The 1996 budget will recommend the merger of the Securities Exchange Commission and the Commodities Futures Trading Commission making trading rules the same for different kinds of securities. In addition, we will propose a new "wholesale" approach to three major single-family mortgage programs -- FmHA, FHA and VA home loans. These three programs total risk exposure of \$573 billion. Our new approach will involve the reinsurance of pools rather than primary guarantees.

(More to come from OMB)

7. Regulation.

Every modern society protects the health and safety of its citizens and the honesty and openness of its economy through some sort of regulatory structure. But all too often these days the paperwork, the bureaucracy and the intrusiveness of our regulatory structures eclipse the very values that the regulations were supposed to protect. When this happens its time to take a look at all our regulatory structures and ask "Is there a better way?"

We have made important strides in the area of regulation. Under the leadership of the Vice President we have made the regulatory process more open, accessible, and understandable to the American people. At the EPA, Administrator Browner has initiated a "Common Sense" initiative towards the regulation of chemicals on an industry by industry basis and she has streamlined the permit process.

But I must be candid; the American people still see a system based on old fashioned command and control methods; a system with too much bureaucracy and too little common sense.

That is why I am asking the Vice President to launch an exhaustive review of the regulatory process across the government. I have asked him to search for alternatives to the present way of doing business.

(More to come from OMB)

8. Empowerment

A government that puts people first is a government that trusts them to make their own choices. We should look at everything the government does and ask "How should we best use this money? – does it make sense to establish a

program or should we give the money directly to individuals?"

One of the most successful government programs ever was the GI bill -- established when our soldiers came back from the Second World War. We made a smart decision then -- that it was worth spending government money to train our soldiers to win the peace as they had won the war. But we didn't decide to train them by building a bunch of government colleges. No. We decided to trust them -- to empower them. We gave them money and let them choose their own colleges or training programs. They had a resource; they knew they'd have it only once and that they should use it wisely. And they did.

We need to resurrect this model. We did it in the direct student loan program which now increase individual choice through individual education accounts. Individuals are now permitted to start a new business rather than looking for a job while receiving unemployment insurance -- without states seeking waivers from the federal government.

(More to come from OMB)

Leon Paseth

International Business



TRADE FINANCE

WHO IS RUTH HARKIN AND WHY IS SHE SO POPULAR?

Her tiny OPIC agency is a big player in dealmaking worldwide

As Vice-President, Al Gore is used to playing second fiddle. But it wasn't President Clinton that visiting Russian dignitaries were clamoring to see at a fall luncheon Gore hosted in their honor. As the guests shook his hand, the amused Veep recalls, they kept asking: "Where is Mrs. Harkin?"

Could they really mean Ruth R. Harkin, president of one of the most obscure agencies in Washington, the Overseas Private Investment Corp.? You bet. Under Harkin, OPIC's art deco offices have become a must-visit for VIPs of nascent market economies from Haiti to Ukraine, all hoping to lure American private capital. OPIC's loans, guarantees, and political risk insurance support a rapidly growing portfolio of far-flung U.S. ventures abroad, from a laundromat chain in South Africa to a power plant in Turkey. Since 1993, the agency's budget has ballooned nearly tenfold, to \$94 million for fiscal 1995.

Although that sum seems small, it can be leveraged to support \$2 billion in loan guarantees. And OPIC makes a profit to boot. The 23-year-old federal agency's

rise to prominence outside the Beltway partly reflects a shift in U.S. priorities. While the Clinton Administration isn't eliminating handouts, it thinks trade and investment initiatives are better ways to stretch the shrinking foreign assistance budget. And OPIC's mission dovetails with Clinton's belief that foreign policy should serve domestic interests. "What loose change we have should be used in ways that directly benefit Americans and American companies," says Harkin.

IMPORTANT FAN. The Republican takeover of Congress will accelerate that trend. While Senator Jesse A. Helms (N.C.), the incoming chairman of the Foreign Relations Committee, has vowed to hack away at the U.S. Agency for International Development, he's a fan of OPIC. So are such probusiness Republican moderates such as Mitch McConnell (Ky.), the incoming chairman of the Senate appropriations sub-

A MUST IN WASHINGTON: Foreign VIPs make sure that they see Harkin

committee that oversees Harkin's agency.

As the wife of Senator Tom Harkin (D-Iowa), Harkin enjoys more clout than her position might normally justify. She has used her political muscle to position OPIC at the forefront of U.S. initiatives in the former Soviet Union, South Africa, the Middle East, and Haiti. Her reputation for responding quickly to queries from Congress or policymakers has helped make the agency a player. When Deputy Secretary of State Strobe Talbott called to ask if OPIC could pitch in on aid to Haiti, Harkin's office faxed back a plan for \$100 million in financing and risk insurance by 2:30 p.m. the same day.

The 50-year-old Harkin sees lucrative opportunities for U.S. companies in the global infrastructure boom. To enable OPIC to participate in such megaprojects, she increased the \$50 million ceiling on the agency's per-project financing to \$200 million and doubled its insurance limit to \$200 million. Another Harkin innovation is an expanding stable of OPIC-backed private equity growth funds. They are seeding investments in South African mining projects, Polish merchandising ventures, and environmental cleanup facilities around the world. Next up: a pitch to get U.S. business involved in defense-conversion projects in the former Soviet republics.

USER-FRIENDLY. OPIC's hands-on approach goes beyond merely doling out money and insurance. Like Commerce Secretary Ronald H. Brown, Harkin routinely ferries plane-loads of American executives on investment missions abroad—she has logged more than 100,000 miles over the past year—and lobbies finance ministers and prime ministers to secure deals on their behalf. Says Harkin: "It's important for government entities to know we're keenly interested in the American investor."

U.S. business appreciates the effort, and OPIC's user-friendly attitude. "Their approach is, 'Let's do it, and how can we do it sooner?'" says the president of a major American power company that is

negotiating, with OPIC's help, to construct a \$140 million electric power and desalinization facility in Gaza. At a time when a Republican Congress vows to make government work better with less, OPIC could very well emerge as a role model for federal agencies.

By Amy Borrus
in Washington

OPIC'S GROWING CLOUT



DATA: OVERSEAS PRIVATE INVESTMENT CORP.

THE PRESIDENT HAS SEEN

12/6/94

94 DEC 5 P4:42

5 December 1994

MEMORANDUM TO

THE PRESIDENT
THE VICE PRESIDENT
LEON PANETTA

FROM

HAROLD ICKES (14)

RE

Dates for the 1996 National Convention

Attached is a copy of the 3 October 1994 memorandum to David Wilhelm from Debra DeLee regarding possible dates for the 1996 Democratic National Convention. Although the City of Chicago would prefer a Sunday through Wednesday convention, tradition, as well as other considerations, seem to favor the traditional Monday through Thursday (26 August - 29 August) convention.

Please let me know if you think the '96 Convention should be held on other than Monday through Thursday (26-29 August 1996).

cc: Maggie Williams
Jack Quinn
George Stephanopoulos
Mark Gearan
Joan Baggett
Marcia Hale
Alexis Herman
Rahm Emanuel
David Dreyer
Kevin O'Keefe

*Two
John
Dennis
Andrew
Kevin*

MEMORANDUM

TO: David Wilhelm
FROM: Debra DeLee
DATE: 3-October-94
RE: Dates of the Convention

We should decide on the convention dates relatively soon. Chicago's hotels are anxious for these dates. Currently the convention window that has been blocked is August 22-29, 1996 (Thursday-Thursday). Please note that the Republican convention window is August 10-16.

In the recent past there have been approximately 3-4 weeks separating the two nominating conventions. That gap has allowed news organizations to have essentially the same crews cover both conventions. This is especially important for broadcasters. With the announced Republican intention to meet in August, the gap between the two conventions will be shorter than usual. In choosing the convention dates, we must be aware that there will be press grumbling. The later we can convene the convention, within the convention window, the more opportunity we have to mitigate the grumbling and maximize press coverage.

I feel there are two realistic options:

August 25 - August 28 (SUNDAY through WEDNESDAY)

PROS:

- o The city prefers starting on a Sunday evening since they think that traffic and transportation concerns would be lessened.

CONS:

- o Starting on a Sunday, even a Sunday night, might offend some Christian groups.
- o Sunday night television ratings in August are low. The enclosed rating chart indicates that contrary to original thought, Sunday's ranked #5 in the weekly ratings battle.
- o Sunday night would cause all labor to be charged at a double-time week-end rate.
- o A Sunday start date will cause the media welcoming party, the largest Host Committee event, to be held on a Friday night. This, once again, will conflict with a religious Sabbath observance.

August 26 - August 29 (MONDAY through THURSDAY)

PROS:

- o These dates do not pose any risk of conflict with any Sabbath observance from any mainstream religion.
- o Monday night garners the best television ratings of the week in August. Typically, the convention's keynote would be delivered on this date.
- o Labor costs will be less not only for the DNCC, but for the city and media as well.
- o Although it is only one day later than the Sunday night start, it does give the media more time between conventions.

CONS:

- o There is a potential that ABC may carry an exhibition football game or a baseball game on this Monday start date. Hal Bruno of ABC was consulted with and he doubts that there will be a football game on this Monday night. There is little risk that ABC would not cover the keynote, however, this possibility must be considered.

12.5

John -

Postal Service
strikes again.

How do you want
to handle. (Probably
shouldn't be dropped
in POTUS's lap)

Tom



*rec'd 12/5/94 p.m.
JAD*

December 2, 1994

Ms. Ann McCoy
Deputy Social Secretary
The White House
Washington, DC 20500-0001

Dear Ann:

As always, it was wonderful to chat with you today. I have enclosed a photograph of the stamps and a release we sent to both the State Department and the Defense Department. Mr. Tom Hubbard from the State Department has informed us that the Japanese ambassador's office has asked us to remove the atomic bomb stamp. We are very concerned that this could have the same effect on our veterans' organizations as the Enola-Gay exhibit controversy at Smithsonian. Marvin is interested in the President's thoughts.

I await any comments.

A handwritten signature, possibly "M", enclosed within a large, loopy circular stroke.

Response to WWII stamp inquiries

The Citizens' Stamp Advisory Committee began working with the World War II 50th Anniversary Subcommittee in the late 1980s to develop a five-year series of postage stamps commemorating the events of World War II. They coordinated with historians from the Department of State (DOS), the Department of Defense (DOD) and the various military service branches with the task of choosing 10 significant events from each year of the war that should be commemorated.

The purpose of using DOS and DOD was to establish an unassailable group that was technically competent and politically insulated from outside special interest pressures and to ensure each stamp presented a balanced view of the war, that each was historically correct and inclusive of important events and outcomes of America's engagement in World War II.

This series is intended to philatelically and chronologically mark the significant events, trends and outcomes of the world at war. Our purpose is to provide a comprehensive history of the events of World War II and we are not making a value judgment on any of those events.

With regard to the specific stamp in question, we would be remiss in omitting such a watershed and historically critical event as the use of the atomic bomb.



Marvin Runyon 11/17/94

ISSUE WORLD WAR II - 1945
 FORMAT COMMEMORATIVE - SHEETLET OF 10
 DENOMINATION FIRST-CLASS RATE
 SERIES WORLD WAR II
 ISSUE DATE 1995

Date: 12/05/94 Time: 16:09

TS
FBI
2

A-Bomb Stamp Draws Criticism from U.S. Diplomats

WASHINGTON (AP) The State Department, concerned about ruffling Japanese sensibilities, is asking the U.S. Postal Service to reconsider the planned stamp commemorating the atomic bombing of Hiroshima and Nagasaki 50 years ago.

The stamp, due to be issued in September, portrays a mushroom-shaped cloud over the caption, "Atomic bombs hasten war's end, August 1945."

Japanese officials have protested the Postal Service plan, noting that tens of thousands of nonmilitary Japanese were killed in the bombings. They also complain that the caption ignores the view of many that the bombings were morally unjustified and not essential to ending the war.

"We are certainly aware of Japanese sensitivities in this regard," said deputy State Department spokeswoman Christine Shelly. She said department officials have taken up the issue with the Postal Service.

Another official, asking not to be identified, called the stamp "a pretty bad idea. We would be delighted if they decided to withdraw it." The official added that a final decision probably is in the hands of the White House.

In defense of the stamp, Postal Service spokesman Robin Wright said the stamp is part of a five-year series commemorating the events of World War II.

"We are not making a value judgment on any of those events," Wright said. "We would be remiss in omitting such a watershed and historically critical event as the use of the atomic bomb."

Wright's position won no sympathy from the Veterans of Foreign Wars, whose spokesman, Bill Smith, said, "Perhaps we could come up with a more meaningful stamp to depict the end of World War II."

A spokesman for the American Legion said the group had taken no position on the stamp.

Defenders of the use of atomic weaponry maintain that it ended the war far more quickly than conventional means would have, saving the lives of hundreds of thousands of American soldiers.

The Japanese Embassy here formally asked the Postal Service on Friday to reconsider issuing the stamp.

The mayor of Hiroshima, Takashi Hiraoka, said in a statement, "It is regrettable that the description under the mushroom cloud will lead to an understanding that the use of the atomic bomb was right."

The atomic bomb was dropped on Hiroshima on Aug. 6, 1945, killing an estimated 140,000 people. Three days later, another was dropped on Nagasaki, killing 70,000. Japan surrendered a week later.

APNP-12-05-94 1609EST

the new
12/5
Sent to
V.P.
Jack Davis
Elaine Kanick
Sally Katon

Inside Congress

Exclusive news on the
people, politics and agenda of
the Republican Congress

VOL 1, NO. 1 - DECEMBER 2, 1994

With assistance from Rep. DeLay

BROAD-BASED INDUSTRY COALITION EYES REGULATORY MORATORIUM

Industry leaders, in tandem with one of the emerging stars of the Republican Congress, are forging a broad-based coalition to push forward regulatory relief measures that many say could include a one-year moratorium on new standards. The effort is being pushed by Rep. Tom DeLay (R-TX), a candidate for the party's third-ranking position in the House, as a cornerstone of the Republican agenda in the new Congress.

The coalition, referred to as Project Relief, is expected to be announced at a Dec. 14 press conference. To promote membership in the group, DeLay this week issued a letter to hundreds of business organizations across the country urging their involvement in the group. The coalition is being developed to promote passage of regulatory reform legislation that is expected to be introduced in the first few days of the new

continued on page 8

Leadership gives ball to new members

FRESHMAN GOP SENATORS FORM TASK FORCE ON CONGRESSIONAL TERM LIMITS

The Senate GOP transition team has given a group of incoming freshman the charter to develop a constitutional amendment on congressional term limits that should be ready for introduction early in January. Incoming Republican senators John Ashcroft (MO), Fred Thompson (TN), Rod Grams (MN), Bill Frist (TN), James Inhofe (OK) and Olympia Snowe (ME) are expected to take the lead on the issue, according to sources.

The new senators raised the subject Nov. 29 at the regular Tuesday session of the Senate Republican transition team and were offered the charter by transition leaders Thad Cochran (MS), Don Nickles (OK) and Judd Gregg (NH). The freshman GOP senators held their first meeting Dec. 1 and agreed that term limits should be "a top issue for the early part of the session," according to one source. Follow-up sessions devoted specifically

continued on page 7

In attempt to coordinate sweeping reforms

REPUBLICANS PUSH HEALTH CARE COALITION AS MODEL FOR NEW CONGRESS

Republican officials are urging the new House leadership to cultivate support for its sweeping reforms by following a model broad-based Senate coalition that has been credited with killing President Clinton's health care proposal in the 103rd Congress. A key Republican party official argues that the coalition approach should be used in joining together budget proposals and legislative items stemming from the Contract With America.

The official fears that simultaneous but separate efforts to develop a budget plan and legislation implementing the contract may create conflicting and competing initiatives. The source says the health care coalition, which was organized around various themes, was able to bring together seemingly disparate interests and serves as a promising model to avoid potential confusion and conflict.

continued on page 7

INSIDE

Budget: Taxpayer groups offer House Republicans blueprint for cuts 2

Energy & Commerce: Gingrich restricts committee membership as exclusive 2

Regulatory Reform: Staffers push bipartisan network to promote effort 3

Constitutional Amendment: Senate Republicans see votes in hand for balanced budget . 3

Lost Chairmanships: Californians say leadership slots prevent erosion of state clout 3

Contract With America: House Republican leaders tout legislative plan to fulfill commitment 4

Text - Congressional working group summary of regulatory reform bill 4

Exclusive budget analysis shows battle lines emerging from contract 5

Committee Selection: Republicans push regional concerns in steering committee 8

Legislation: In Draft 10
Committees: In Transition . 12

*This promotional copy of
Inside the New Congress
includes 12 pages of the full
20 page issue sent to
subscribers.*

TAXPAYER GROUPS OFFER HOUSE REPUBLICANS BLUEPRINT FOR BUDGET CUTS

The National Taxpayers Union has detailed all the spending cuts proposed in the just-concluded 103rd Congress for use as a template by House Republican budget-cutters attempting to fashion the GOP's first budget as the majority party in the House of Representatives. The list includes proposed reductions "in virtually every budget category" and "serves very well as an agenda for the members," according to a source with the National Taxpayers Union. The new Republican budget writers will be able to peruse everything from Rep. Dick Armey's (R-TX) sweeping Balanced Budget Implementation Act (\$15 billion in savings) to a variety of subsidy cuts and reductions in congressional pay and benefits.

House Republicans say they are interested in plans to hold down entitlement spending, but suggest that they may come up with even more dramatic proposals to eliminate some programs and drastically overhaul others.

Republicans taking over the House Budget Committee are relying on groups such as the taxpayers union, Citizens for a Sound Economy and the Heritage Foundation to perform some of the intellectual grunt-work involved in drafting the budget, as the new GOP majority is not expected to hire additional staff until January. Republicans now have 10 of 50 staff positions on the Budget Committee, according to a GOP source, who adds that the new majority will certainly have less than the 40 staffers enjoyed by the outgoing Democrats.

Republicans also are planning a series of "field hearings" to solicit views of "real Americans" on the budget and the role of the federal government, according to a staffer for soon-to-be committee chairman John Kasich (R-OH). The hearings are expected to begin in January and will be conducted in different regions of the country. Sites have yet to be selected, according to Republican sources.

Right now, the effort to look outside of Congress for help on the budget has focused on groups which have long been behind the crusade to bring down federal spending. These groups support a variety of measures, including a spending freeze at 1994 levels, which some believe could balance the budget within four years, an elimination of baseline budget growth, a shift of welfare and farm programs into the discretionary spending category rather than letting them grow as entitlements, and outright elimination of programs and departments. Some budget-cutting hawks also favor pushing disability programs into the discretionary column but acknowledge that such a move would be politically treacherous for the GOP majority.

"On the other hand," says one source, "all it takes is a few more stories in the media about drug addicts qualifying for benefits. Staffers on the Hill see the need for closer oversight of these programs through an annual appropriation."

Changes to the farm budget could involve a fight with Rep. Pat Roberts' (R-KS) Agriculture Committee. A source with that panel says a farm program could be designed to fit under a spending cap, but in exchange for doing that, agriculture should be placed on a five-year budget cycle. "We'd say if you want a cap, don't come back and ask for additional cuts from our program next year," the source says. "A cap wouldn't be all bad if it took us off the annual chopping block."

Alterations to the so-called "firewall" between discretionary and entitlement spending would have to be considered by the House Budget, Rules and Government Operations committees, according to sources.

Social Security, however, is "regrettably off the table," according to a source with the Taxpayers Union, who explains that any savings achieved through cuts in discretionary spending "will peter out" within a few years unless mandatory spending on Social Security is curbed. "I don't think Social Security or Medicare will be capped by this Congress, but I do think it will happen before the end of the decade," the source suggests. "[Our] argument is starting to resonate on [Capitol] Hill."

A Republican source on the Budget Committee confirms that "we are looking at ways to control entitlement spending," but adds that capping spending by transferring entitlement programs into the discretionary spending camp "is not the top option." Rather, committee staffers are most interested in ideas that eliminate programs or revise programs significantly enough to drive down their cost. "We're interested in revolutionizing the way programs are run," says the GOP official.

An official with the Small Business Legislative Council says budget panel Chairman Kasich "is the right guy to do this. He's established his bona fides and this is a real opportunity to make significant cuts in the budget."

GINGRICH LIMITS ENERGY & COMMERCE MEMBERSHIP AS EXCLUSIVE

House Speaker-designate Newt Gingrich (R-GA) is planning to elevate the status of the Energy & Commerce Committee by designating membership as exclusive. The move would overturn long-standing opposition by outgoing Chairman John Dingell (D-MI), who rejected excluding membership on other committees for members of Energy & Commerce. Gingrich's proposal will raise the status of Energy & Commerce to the level of Ways & Means, Appropriations and Rules, which were all exclusive committees under the Democratic majority. The Gingrich plan is expected to be presented as a resolution for adoption by the Republican conference on Dec. 5.

STAFFERS PUSH BIPARTISAN NETWORK TO PROMOTE REGULATORY REFORM

Congressional staffers are forging a bipartisan network in both chambers of Congress to exchange ideas about risk assessment and cost-benefit analyses as regulatory reform quickly emerges as a top priority for the new Republican leadership. While the effort is not intended to push specific bills, the group plans to promote an understanding of the regulatory process to assist both members and congressional staff in rolling back government burdens on industry and the private sector, sources say.

Sources expect a "dear colleague" letter to be circulated within the next few weeks to promote involvement in the network among both staffers and members of Congress. While the effort appears to stem from committee staffers' past involvement in debates over cost-benefit analyses and risk assessment, sources are quick to point out that the network is not intended to be strictly a committee- or staff-level process. Committees that have been most prominent in those debates appear to be leading the network effort, such as Energy & Commerce and Science, Space & Technology in the House.

In the Senate, the lead in establishing the network has been taken by staffers for Sen. Frank Murkowski (R-AK), who is expected to be chairman of the Energy & Natural Resources Committee. Sources point out that Murkowski has been a long-time proponent of easing regulatory burdens on the private sector, and likely has taken up formation of the network as part of his commitment to roll back federal mandates.

Staffers involved in the effort say that at this point discussions have been informal and focused on organizational issues. Sources hope to make progress in establishing the network over the next few weeks, with the formation of strategy and liaison groups. Network members hope to be able to hear presentations by risk assessment and regulatory experts from both within Congress and from the outside sometime within the first few months of the 104th Congress.

Danforth language being negotiated . . .

SENATE REPUBLICANS SEE VOTES IN HAND FOR BALANCED BUDGET AMENDMENT

Senate Republicans say they have counted exactly 67 votes in favor of passing a balanced budget amendment to the Constitution, which would give them the two-thirds margin of support necessary to approve the measure. The sources also believe a handful of additional Democrats — in particular, Harry Reid (NV), Russ Feingold (WI), Kent Conrad (ND) and Joseph Biden (DE) — can be persuaded to give the amendment an added margin of support.

Republicans say these Democrats supported a Reid-sponsored substitute to last year's balanced budget amendment and took credit among voters for supporting the concept of balancing the federal ledgers. "This year the stakes are higher and these four aren't going to want to be the ones who kill the amendment," says a GOP source.

Senate sources say the amendment will mirror S.J. Res. 41/H.J. Res. 103, with the exception that the requirement for a balanced budget will be pushed back one year to 2002. In addition, some Senate staffers want to delete a paragraph from last year's amendment that restricts the judiciary's ability to review the amendment.

Retiring Sen. John Danforth (R-MO), concerned that courts could order actual changes in a congressionally approved budget, insisted on adding language that would limit judicial review to a declaratory judgment rather than specifying remedies. Sens. Pete Domenici (R-NM) and perhaps Sam Nunn (D-GA) are said to share Danforth's concerns.

But Senate staffers are convinced that the courts would refrain from adjusting budget details and merely rule on whether a particular budget resolution did or did not qualify as "balanced." A source says: "We think the court would limit itself to a restraining function with or without instructions from Congress."

Discussions on the language are nearing the "end-game," according to the source.

Incoming Senate Judiciary Committee Chairman Orrin Hatch (R-UT), Sen. Larry Craig (R-ID) and freshman Sen. Jon Kyl (R-AZ) are spearheading the effort on drafting the amendment. The judiciary panel is expected to mark up the amendment prior to Jan. 19, the date on which the GOP leadership in the House plans to hold a floor vote on the amendment. A full Senate floor vote is expected by the end of January.

Despite loss of chairmanships . . .

CALIFORNIANS SAY LEADERSHIP SLOTS PREVENT EROSION OF STATE CLOUT

The California congressional delegation may have suffered unparalleled losses in House chairmanships as a result of the Republican takeover of Congress, but a leading figure in the GOP ranks urges the Golden State's business community not to fear a dangerous loss of influence on the national debate.

Rep. David Dreier (R-CA), who has emerged as a leading player in the Republicans' congressional restructuring efforts, said in an interview with *Inside the New Congress* that members of the state delegation will gain crucial subcommittee posts and are competing for positions in the party leadership. Dreier himself is close to House Speaker-to-be Newt Gingrich (R-GA) and will take the number two slot at the House Rules Committee, which establishes the parameters for floor debate over legislation.

continued on next page

"I don't believe it to be the case that California has lost clout," Dreier says. With California Republicans chairing an Appropriations subcommittee (Jerry Lewis), heading a Judiciary Committee panel on intellectual property rights that has importance to the state's exporters (Carlos Moorhead), running for chair of the House GOP policy committee (Christopher Cox), and seeking the chairmanship of the House Republican Conference (Duncan Hunter), Dreier says the state will maintain considerable influence. "The largest state in the union can't be ignored."

Dreier adds that voters have shown themselves to be less motivated by the idea of powerful congressional committee chairmen "bringing home the bacon" for constituents. "The voters are coming to the realization that Washington isn't going to be a panacea," the congressman asserts.

A source in another congressional office says some members of the California delegation are attempting to persuade colleagues to elect candidates such as Hunter and Cox to the leadership in order to ensure that voters in the politically important state do not feel ignored by the GOP Congress. "The argument is being made behind the scenes that California can't be taken for granted," comments a Republican source in the House.

The source notes that with power being centralized under Newt Gingrich's "new world order, leadership positions have become as important as chairmanships. So it's important that we have a role [in the leadership]."

A source close to Rep. John Boehner (R-OH), who is competing against Hunter for the conference chair, says Californians should not fear a loss of influence because the state has the largest delegation in Congress, and is the only single-state delegation represented in the Republican steering committee which elects chairmen and hands out committee assignments. "Some may say California is even better represented now that Henry Waxman (D-CA) is gone" as chairman of a key health and environment subcommittee, the source quips.

A source in the office of Rep. Jim Kolbe (R-AZ), who is opposing Cox for the policy committee chair, also rejects the idea that California can be losing clout when it has the single largest delegation in Congress.

Concern arose among California business leaders after Moorhead was passed over for chairmanship of the Energy & Commerce Committee. These executives say they lost a strong ally when Democrat Norman Mineta (CA) was turned out of his Public Works & Transportation Committee chairmanship, which they had hoped to trade for the elevation of Moorhead at Energy & Commerce. George Miller (D-CA) also lost his chairmanship of the Natural Resources Committee, but businesses viewed him as more in the mold of Waxman, and thus not so great a loss. California Democrats also lost chairmanships of the Armed Services and Science, Space & Technology committees and the state delegation will have no major full committee chairmanships when the 104th Congress opens for business Jan. 3.

HOUSE REPUBLICAN LEADERS TOUT LEGISLATIVE PLAN TO FULFILL CONTRACT

Republican leaders in the House are touting legislation that they say will take significant steps toward fulfilling their Contract With America and rolling back regulatory burdens. The legislation, which was drafted months before the election as part of the Republican contract, is expected to be introduced Jan. 3, the first day of the new Congress. The measure calls for an overhaul of the risk assessment process to relieve regulatory demands on industry, a reduction of paperwork requirements, the protection of property rights, and the elimination of unfunded mandates.

The legislation, referred to as the Job Creation & Wage Enhancement Act, is expected to spark controversy and set the basis for debate in the early days of the 104th Congress. A summary of the regulatory reform measures, prepared by a congressional working group formed to develop the regulatory provisions of the contract, says Congress should "limit the costs of regulations imposed on the private sector by giving each authorizing committee a regulatory 'spending' limit each year." The recommendation is outlined by the group as part of regulatory budget proposal to be imposed on Congress.

The working group summary also outlines key provisions for overhauling the risk assessment process and calling for the use of cost/benefit analyses on new regulations; strengthening the Paperwork Reduction Act by establishing better measurement standards to account for the burdens imposed by government on the private sector; establishing a citizen's regulatory Bill of Rights; strengthening property rights through government compensation; and preventing the enforcement of unfunded federal mandates.

The full text of the working group summary is reprinted below. To obtain a full copy of the 82-page landmark bill, call Inside the New Congress at 1-800-424-9068 (or in the Washington, DC area, 703-416-8500).

Text: Congressional Working Group Summary on Regulatory Reform Legislation

Regulatory Reform

1. Risk Assessment and Cost/Benefit Analysis for new regulations

* Risk assessment methodologies should be continuously improved and agencies should establish a clear distinction between assessing risks and deciding how to manage them.

* Cost/benefit analysis should be utilized by agencies

when developing regulation, with preference given the least costly regulatory alternative that accomplishes program objectives.

* Agency decision making should be grounded on the most advanced and accurate scientific knowledge currently available.

* Enforcement/Policing -- Ensure that all provisions in bill designed to protect consumers and small businesses are subject

to judicial review and directly enforceable by citizen suits, so that agencies can be sued for not implementing cost/benefit analysis, risk assessment, or sound science.

2. Regulatory Budget

* Congress would limit the costs of regulations imposed on the private sector by giving each authorizing committee a regulatory "spending" limit each year. The overall regulatory budget would be decreased every year. On reaching the spending limit, the authorizing committee would have to eliminate costly regulations in order to impose new ones.

3. Strengthen the Paperwork Reduction Act (PRA)

* Reaffirm the fundamental purpose of the PRA of 1980 -- to minimize the paperwork burdens imposed by the federal government.

* Clarify that the Act's public protections apply to all government-sponsored paperwork, including mandated paperwork between two non-government parties.

* Require the setting of goals for reduction of paperwork burden (5%) on public.

* Reduce by 30 days the time that a routine proposed paperwork requirement spends at OIRA.

* Establish better measurement standards for OIRA to use to account for paperwork burdens imposed by the government.

4. Strengthen the Regulatory Flexibility Act

* Allow for judicial review of the Regulatory Flexibility Act of 1980, so that small entities may sue agencies that do not comply with the Act (which says agencies must consider the impact of their rules and regulations on small businesses and craft them so that they are the least harmful.)

5. Amend the Administrative Procedures Act

* Codify Reagan Executive Order 12291, amending it to require agencies drafting a major new rule to complete a Regulatory Impact Analysis (RIA) to be printed in the Federal Register and which assesses the potential impact of its action. The RIA would include a checklist of 23 items, including:

- * a demonstration that the rule provides the least costly or least intrusive approach for meeting the intended purpose
- * an estimate of the paperwork burden on the affected party
- * a statement that the rule does not conflict with nor duplicate any existing rule or an explanation as to why the conflict or duplication exists
- * an estimate of the nature, number and size of

parties to affected

6. Citizen's Regulatory Bill of Rights

* Miranda-like rights for citizens or members of regulated community -- Upon inspection, investigation or official proceedings against a company or individual, the party shall have the right:

- * to remain silent
- * to refuse a warrantless search
- * to be warned that statements can be used against them
- * to have an attorney or accountant present
- * to be informed as to the scope and purpose of the agency action, etc...
- * to be present at the inspection, investigation, or proceeding
- * to be reimbursed for unreasonable damages
- * to be free of unreasonable seizures of property or assets

* Whistleblower protection for victims of regulatory harassment

* Hold agencies and bureaucrats accountable for abusing the power of their positions, providing protection to those who are afraid to speak out or fight against agency action because they fear retaliation from regulators.

* Federal or state agencies or regulators found to have taken retaliatory regulatory action would be assessed a civil penalty of not more than \$25,000 for each violation.

* Any individual or business injured or threatened by a retaliatory regulatory practice may bring civil action in federal district court against any person or agency alleged to have engaged in or threatened to engage in such prohibited practice.

Property Rights

* Compensation for regulatory takings -- spell out that a private property owner would be entitled to receive compensation for any reduction in the value of property that is a consequence of a limitation on the use of such property imposed by a final agency action and that is measurable and not negligible.

Unfunded Federal Mandates

* Prevent enforcement of unfunded federal mandates and raise point of order if legislation includes unfunded mandate.

* Biannual mandate budget to cut, cap and count the cost of federal mandates.

Exclusive budget scoring analysis

BUDGET BATTLE EMERGES FROM REPUBLICAN 'CONTRACT WITH AMERICA'

An exclusive *Inside the New Congress* budget analysis of the "Contract With America" reveals three distinct budget battles emerging in the 104th Congress: 1. \$200-billion in tax cuts for families (\$120-billion), seniors (\$25-billion), and the business community (\$45-billion); 2. the need to find an extra \$700-billion to \$1-trillion in entitlement, discretionary and other spending cuts to balance the budget by fiscal year 2002; and 3. the need to address a \$40- to \$150-billion gap in what the Pentagon says it needs to spend to meet current needs, according to Republican and Democratic congressional sources, the Treasury Dept. and Democratic Study Group documents on the five year budgeting window to be debated this coming Congress. GOP strategists reportedly plan to take on the tax cut and welfare reform battles first --welfare reform being the only area where budget cuts have been specified -- before taking on the much more difficult prospect of reducing government programs and services Americans have gotten used to in more than a generation of Democratic rule on Capitol Hill.

The following is a run-down of the ten GOP-planned bills in order of their appearance in the contract. Addi-

tional information was gleaned through interviews with Republican and Democratic congressional staffers, analysts and senior Administration officials at the White House, Office of Management & Budget and the Treasury Dept.

The Fiscal Responsibility Act. This legislation has two parts: a balanced budget amendment to the Constitution and giving the President line-item veto authority. The GOP is planning to produce a budget resolution that would cut government spending by a whopping \$700-billion to \$1-trillion while finding ways to pay for as much as \$200-billion more in tax reductions. Republicans have promised to keep Social Security off the table regarding spending cuts, but they are planning to continue to count Social Security trust fund surpluses in the ledger to lessen the blow of revenue reductions. The DSG says balancing the budget would cost \$1.2-trillion, although Treasury's number is lower: between \$700-billion and \$1-trillion. GOP sources say they are figuring something in the Treasury ballpark.

Under the balanced budget amendment, which needs approval by two-thirds of both Houses of Congress and ratification by three-fifths of the states to be attached to the Constitution, the unified budget (including Social Security surpluses) would have to reach balance by 2002. After that time, it would take three-fifths of each House, in a roll-call vote, to allow deficit spending or an increase in taxes.

Under the GOP line-item veto plan, when the President proposes to rescind line-item outlays, Congress is required to disapprove within 45 days, or the rescissions are automatically carried out. There is no cost associated with this measure, although presidential rescissions usually total under \$10-billion a year.

The Taking Back Our Streets Act. This bill seeks to make significant changes to the Crime Control Act of 1994. It seeks to take the \$5-billion in "crime prevention" programs and \$7.5-billion from the "community policing initiative" -- both of which the GOP has criticized as "pork" -- and replace it with a \$10-billion block grant for new local law enforcement. The resulting savings would be shifted to block grants to state prison systems, boosting spending in that area from \$7.9-billion to \$10.5-billion.

The Personal Responsibility Act. This is the GOP's stab at welfare reform and is likely to be the first big battle between Republicans and Democrats in which both parties hope to clearly distinguish themselves in the eyes of the American people.

The bill, as it is expected to be

written, would produce net savings of \$40-billion, according to the DSG and the Congressional Budget Office. The GOP seeks to cut spending on current programs by \$51-billion and then use \$12-billion of that for worker retraining so welfare recipients can move off the dole and onto the payroll in two years. Of the \$29-billion in gross savings envisioned, \$18-billion would come from placing an overall spending cap on a variety of anti-poverty programs. Savings of \$11-billion would be generated by consolidating most nutrition programs into a block grant for the states while reducing overall funding levels. In addition, the legislation seeks to save \$22-billion by denying federal benefits to illegal aliens -- a move that has caused much controversy in California, the constitutionality of which likely will have to be decided by the Supreme Court. Republicans are promising no constitutional amendment should their efforts fail.

The Family Reinforcement Act. In this bill, the GOP seeks to use the tax code to encourage individuals to take care of an elderly relative at home or to adopt a child. For elderly relatives, the bill offers a \$500-per year tax credit. A \$5,000 tax credit is offered to encourage adoption. DSG estimates total cost at \$8.9-billion and notes that as currently being drafted, the legislation "contains no provisions to pay for these costs." Republicans respond that their budget will provide funding. Sources would not say where the savings would come from.

The American Dream Restoration Act. Republicans promised a \$500 per child tax credit to families during the election and seek to use this bill -- the fifth they hope to pass in the House during the first 100 days -- to fulfill this promise. This issue is being closely watched by analysts, party officials and the financial markets because it is an area in which both parties are likely to get into a "bidding war" in an effort to build a solid constituency in the voter-rich middle class. The White House is looking at a similar tax credit, but has not decided how to pay for it.

There are many different versions of the tax credit proposal with widely varying price tags. The per child tax credit envisioned by the Republicans would cost around \$107-billion, according to Treasury officials, GOP congressional staff, the DSG and CBO. The White House and Democrats are looking at what they say is a much more generous,

targeted tax credit that would cost about half what the GOP has envisioned. Budget Director Alice M. Rivlin has estimated the government could provide an \$800-per child tax credit -- at a cost of only \$50-billion over five years. The difference between the two, say sources, is that the GOP would offer the tax credit to everybody with children, including those earning up to \$250,000 a year, while the White House's plan would limit the credit to those earning under \$100,000 and would phase it out by the time a child attains age 11.

The bill also includes a proposal to introduce a "back-loaded" individual retirement account, the costs of which Treasury and the CBO say would explode in the outyears, when the tax breaks would be utilized. In the first five years the measure would cost about \$5-billion, according to the DSG.

The National Security Restoration Act. This bill seeks to increase defense spending on certain priorities while limiting the U.S. role in international peacekeeping missions sponsored by both the United Nations and the North Atlantic Treaty Organization. The GOP does not specify by how much it seeks to increase defense spending, punting the issue to an "independent blue-ribbon Defense Commission". It also does not address the defense budget gap -- variously estimated at between \$40-billion (Administration) and \$150-billion (the General Accounting Office) over the next five years. Republicans have said they want to increase spending in the moribund "star wars" program but, again, have offered few details.

The Senior Citizens Equity Act. In this bill, the Republicans hope to solidly place the powerful elderly lobby in their column of supporters. The bill would reverse Social Security tax increases in the 1993 Omnibus Budget Reconciliation Act at the same time it seeks to offer tax breaks to spur the purchase of private long-term care insurance. Republicans estimate the cost of this bill to be around \$25.1-billion, although they have not specified all the provisions. Democrats are using the GOP number as their starting point.

Job Creation & Wage Enhancement Act. This bill contains a series of tax and regulatory changes with a total cost of \$46.5-billion, according to GOP estimates, confirmed by the CBO. Most of the cost, \$44.8-billion, would be from excluding

from taxation 50 percent of income from the sale of stocks, bonds, real estate or other assets, thereby lowering the top tax rate on capital gains from 28 percent today to 19.8 percent. The bill would also give business more generous tax deductions for the cost of capital investments and would raise the portion of an estate that is exempt from taxation.

The Common Sense Legal

Reforms Act. In this bill, the Republicans seek to put a lid on the product liability explosion and look to measures proposed by then-Vice President Dan Quayle's Council on Competitiveness in 1991. Going beyond Quayle, Republicans also seek to limit class action lawsuits on behalf of stockholders against companies and stock brokers. There are no costs currently associated with this measure.

The Citizen Legislature Act.

Finally, the GOP seeks to amend the Constitution to limit the terms of members of Congress. There are two proposals that will be offered. The measure may not be necessary if the Supreme Court decides, after hearing oral arguments this week, that state-imposed term limits are constitutional.

FRESHMAN SENATORS FORM TASK FORCE ON TERM LIMITS . . . begins on page 1

to term limits are expected but have yet to be scheduled, the source says. Sources say the term-limits group will rely on the support of personal staff and the GOP Policy Committee.

In addition, veteran Senator Hank Brown (R-CO) announced Nov. 29 that he will sponsor the term limits amendment and intends to hold hearings in January in his Judiciary Committee panel on the Constitution.

"The senators-elect are just back from the battlefield and they think [term limits] is the number one issue with the voters," says a staffer for Nickles. "The people don't like career politicians."

"It's very clear that the energy and vitality for this issue are coming from the new guys," says an aide to Ashcroft.

Term limits are not supported universally in the Senate Republican camp and advocates acknowledge that putting together the 67 votes necessary for a constitutional amendment will be difficult. In fact, Sen. Mitch McConnell (R-KY) says he will introduce an amendment to repeal the constitutional prohibition on a president seeking a third term.

McConnell argues that small states would be hurt most by congressional term limits, because the seniority of their delegations is used to counter the institutional strengths of larger states. A McConnell staffer suggests that a coalition of Democrats and small-state Republicans can prevent term-limit advocates from reaching the necessary 67 votes. The debate promises to produce interesting alliances, as McConnell has strong conservative credentials and has been known as a tough partisan fighter.

The McConnell staffer, calling the matter "an immediate issue for our office," plans to begin a head count to see where the new Senate stands on the issue. "It is a prominent issue for a lot of Republicans and it will be an interesting vote," the source says.

HEALTH CARE COALITION A MODEL FOR GOP EFFORTS . . . begins on page 1

Meanwhile, Senate staffers involved in the health care coalition say the lessons learned from that debate are being drawn upon in preparation for the upcoming debate on a balanced budget amendment. Staffers note that similar organizations in the Senate are already being formed to promote broad-based support for the amendment. The effort is being led by Sen. Orrin Hatch (R-UT), who is organizing groups both inside and outside Congress to lobby for the budget amendment, according to one congressional staffer. Hatch's office was unavailable for comment.

Moreover, Senate staffers anticipate working closely with House staffers in mid-January to promote use of the coalition model in the budget debate. "I think the balanced-budget amendment will offer the first place to work with the House on helping put together a coalition," says one source who was involved in the health care debate. The source notes that the House leadership is likely to seek advice on how to attract and maintain outside support.

The success of the health care coalition is widely attributed to the group's ability to organize around common themes. The group established 12 teams organized around a single issue, such as regulations, taxes and a lack of choice. According to staffers involved in the group, the coalition worked closely with the Republican National Committee, coordinated with Republican governors to maintain state support, organized outside coalitions to lobby for the group's agenda, and worked hard to hone themes and communicate its message to the public.

The coalition was established by Sen. Bob Packwood (R-OR), with various responsibilities divided among other senators. Sen. Paul Coverdell (R-GA) worked as a liaison with outside groups; Sen. Judd Gregg (R-NH) was responsible for dissemination of information and floor strategy; Sen. Larry Craig (R-ID) coordinated with the House; and Sen. Trent Lott (R-MS) was liaison with the Republican National Committee. Sen. Don Nickles (R-OK) served as spokesperson for the group, developing the group's message to the public.

BROAD-BASED INDUSTRY COALITION EYES REG MORATORIUM . . . begins on page 1

Congress. The legislation was developed as part of the "Contract With America," which has been credited with contributing to the sweeping Republican victory in this fall's elections.

Sources say industry leaders have already formed a steering group, as well as several task forces, to promote membership in the coalition and develop an agenda. Sources say they have been meeting over the past several months on organizational issues, and are currently focusing on expanding the coalition's membership.

A skeletal structure for the group has already been established. Three task forces have been formed to address strategy, legislation and recruitment. Members are preparing for the group's next full meeting, which also will take place on Dec. 14. Coalition officials say they will unveil a list of member organizations and a legislative agenda at the press conference. At press time, organizations involved in the coalition included the National Association of Manufacturers, the National Coal Association, the U.S. Chamber of Commerce, the National Federation of Independent Businesses, the Small Business Survival Committee, the Cato Institute and the Heritage Foundation.

Coalition officials say a top priority for the group will be quick passage of regulatory reform provisions contained in the Job Creation & Wage Enhancement Act, which is expected to be introduced in the first several days of the new Congress. The legislation generally calls for the elimination of unnecessary regulations through an overhaul of the risk assessment process and the use of cost/benefit analyses to determine the impact of proposed standards.

While a clear strategy has not yet been developed for instituting the reforms, some sources with the coalition anticipate a three-step process, which will involve a first step of imposing an across-the-board moratorium on all new regulations for one year. This would allow lawmakers time to debate the measure while preventing the Clinton administration from pushing through regulations before the reforms are in place, coalition sources say. The second step would involve instituting an assessment process that would more accurately determine the costs and benefits of various proposed regulations, sources say. The final step would apply the new assessment criteria and possibly involve a straight up or down vote by the full Congress on pending regulations, these sources say.

The industry effort stems from a regulatory relief meeting hosted by DeLay back in September, according to a staffer for the congressman. At that organizational meeting, DeLay called for a coordinated effort between industry and Congress to ease the regulatory burdens on businesses, regardless of the outcome of the election, the staffer says. But following the Republican victory and the new majority in Congress, the meeting has taken on "a whole new importance," the staffer says. At press time, DeLay was in a tight race for the Republican Whip position in the House (*see related story*).

REPUBLICANS PUSH REGIONAL CONCERNS IN COMMITTEE SELECTION

The committee selection process that will be employed Dec. 5-7 to complete the Republican takeover of Congress has been restructured by House GOP leaders to be more responsive to regional concerns, according to Capitol Hill insiders. The revised process is expected to better structure committee memberships around issues rather than population centers.

In a proposal expected to be approved by the Republican conference next week, congressional leaders are calling for one-third of the committee selection group's members to come from nine regions. The proposal, which restructures the Committee on Committees into the Republican Steering Committee, lays out the makeup of the 27-member panel responsible for selecting chairmen and members to all standing committees.

A key change under the Steering Committee is the selection of the nine members from regional areas across the country, according to congressional staffers. Under the proposal, committee members will be drawn from the cotton south, tidewater south, east north central region, Great Plains, mid-Atlantic, Atlantic coast, west south central region, and the West. California is designated as its own region.

The previous Committee on Committees grouped representatives by population areas. State delegations with five or more members were allowed one representative on the committee. Other state delegations with fewer than five members were grouped together. Delegations with four members were lumped together and selected two representatives on the committee. State delegations with two and three members were also allowed two representatives for each group. Delegations with one member were allowed one representative on the committee.

A full rundown of the new Steering Committee structure, to be proposed to the party conference, is reprinted on the next page, including representatives selected by key committee chairmen, the Speaker and other party leaders.

Text: Republican Steering Committee Fact Sheet

Republican Leadership has created a Steering Committee for the selection of chairmen and members to standing committees. The Steering Committee replaces the Committee on Committees. This committee also will advise the Leadership with respect to legislative planning and scheduling.

The Steering Committee structure for the 104th Congress [appears on this page].

If the nine regions are represented solely by Members from states which have four or more Republican members, then a special small state category composed of states which have three or fewer will elect a representative.

If the small state option is triggered, the Speaker will receive an additional vote to ensure there are no tie votes.

The Speaker, at his discretion, can allocate up to two of his votes to Members who he may appoint to the committee.

The freshman and sophomore representatives will be elected by Members of their class.

Area\Office	Votes
Nine Regions	9
Four Chairmen	4
(Appropriations)	
(Ways & Means)	
(Budget)	
(Rules)	
Speaker	5
Leader	2
Whip	1
Conference chair	1
NRCC	1
Sophomore class	1
Freshman class	3
Total Votes	27
Small state option if triggered	1
Speaker addition if small states triggered	1
	29

Steering Committee Regional Structure

Region	Members Represented
California	25
Cotton South	28
Alabama	(3)
Florida	(15)
Kentucky	(4)
Mississippi	(1)
Tennessee	(5)
E. North Central	26
Indiana	(6)
Michigan	(7)
Ohio	(13)
Great Plains	26
Iowa	(5)
Illinois	(10)
Minnesota	(2)
Nebraska	(3)
Wisconsin	(6)
Mid-Atlantic	24
New York	(14)
Pennsylvania	(10)
Atlantic Coast	21
Connecticut	(3)
Delaware	(1)
Massachusetts	(2)
Maryland	(4)

Region	Members Represented
Maine	(1)
New Hampshire	(2)
New Jersey	(8)
Tidewater South	24
Georgia	(7)
North Carolina	(8)
South Carolina	(4)
Virginia	(5)
W. South Central	28
Arkansas	(2)
Kansas	(4)
Louisiana	(3)
Missouri	(3)
Oklahoma	(5)
Texas	(11)
The West	28
Alaska	(1)
Arizona	(5)
Colorado	(4)
Idaho	(2)
New Mexico	(2)
Nevada	(2)
Oregon	(2)
Utah	(2)
Washington	(7)
Wyoming	(1)

LEGISLATION: IN DRAFT

Telecommunications

BABY BELLS' LONG DISTANCE HOPES

The ascension of Rep. Thomas Bliley (R-VA) to the chair of the Energy & Commerce Committee could be bad news for the Regional Bell Operating Companies, which are anxious to enter the long distance phone service market. Bliley sought this year to tighten the requirements for RBOC entry into the long distance market, and can be expected to do the same in the 104th Congress, according to sources close to the congressman. On a related note, a Sprint Corp. official predicts that Senate Majority Leader-in-waiting Robert Dole (R-KS) will back away from a proposal made in the 103rd Congress that suggested setting a "date certain" by which the RBOCs could begin providing long distance service. John Hoffman, a Sprint vice president, said last month that Dole is likely to support a requirement that there be local competition before the Bells are allowed into long distance.

The White House will aggressively support telecommunications reform legislation in the next Congress, but has no plans to offer its own legislative proposal, according to a source in Vice President Gore's office.

Environment

EPA SEEKS WHITE HOUSE BACKING FOR SUPERFUND, DRINKING WATER IN 104TH

The Environmental Protection Agency would like the White House to focus its environmental efforts in the next Congress on two pieces of legislation that had bipartisan support this year, Superfund and the Safe Drinking Water Act, according to administration sources. But the White House has so far refused to commit to any legislative priorities.

REPUBLICANS TO CUT ENVIRONMENT COUNSEL SLOT ON ARMED SERVICES

The new Republican leaders in the House plan to do away with the position of environmental counsel to the Armed Services Committee, sources say, in a move that reflects both the Republicans vow to cut committee staff, and a general perception that environmental issues are not part of the military mission. The position was created in the 103rd Congress.

NEW SUPERFUND BILL IN THE WORKS

Two Republican members who this year led the fight to repeal the Superfund statute's joint-and-several liability scheme have begun work on a bill that is expected to serve as the starting point for debate on Superfund in the 104th Congress. Sen. Robert Smith (R-NH) and Rep. William Zeff (R-NH) have been meeting with stakeholders and have begun crafting a new version of the bill they pushed in the 103rd Congress. Zeff is expected to chair the Senate subcommittee with jurisdiction over Superfund.

GOP CONGRESS MAY REVISIT CLEAN AIR ACT

Some observers are predicting that the Republican 104th Congress will reopen the controversial 1990 Clean Air Act Amendments and attempt to scale back the act's mandates on states and industry. The impetus for such a move could come from the new Republican governors in Pennsylvania, Texas and

New York, three states that were heavily hit by the 1990 amendments. Republican Pete Wilson, governor of California, also has been an outspoken critic of aspects of the act.

Rep. Tom DeLay (R-TX), a leading House whip candidate, offered legislation in the 103rd Congress to roll back the Clean Air Act, and could lead reform efforts in the next Congress.

FARM BILL FADES AS PLATFORM FOR ENVIRONMENTAL REGULATION

Plans by the Environmental Protection Agency and environmentalists to add environmental provisions to the 1995 Farm Bill have faded, given the new Republican majorities in Congress. Sources say that, given the already-developing debate over farm subsidies, the prospects for environmental provisions that would increase costs are dim.

Electric Utility Regulation

GOP VICTORY RAISES PROSPECT OF DEREGULATION OF HOLDING COMPANIES

The Republicans' capture of the House and Senate has raised the hopes of some utility holding company representatives that the new Congress could move to drastically overhaul or even repeal the Public Utility Holding Company Act. One possible stumbling block, however, could be the inexperience in utility matters of incoming Republican chairmen, such as Sen. Frank Murkowski (R-AK) of Energy & Natural Resources, and Sen. Al D'Amato (R-NY) at the Banking Committee, according to sources.

The Republican Congress also may open up the utility law that guarantees a market for power generated by renewable energy projects, the Public Utility Regulatory Policies Act, sources suggest. Renewable power sector advocates will try again to extend a size cap exemption for renewable projects that lets them build facilities larger than the general PURPA limit of 80 megawatts, but utility opponents of the law's mandatory purchase requirement are hopeful that the Republicans will consider a much broader overhaul.

Defense

REPUBLICAN CONTRACT WOULD BOOST PENTAGON SPENDING, RESTRICT PEACEKEEPING ROLE

Republicans have drafted legislation aimed at fulfilling part of the Contract with America that is intended to reverse the downward trend in defense spending and dramatically alter the nature and extent of U.S. involvement in multinational peacekeeping operations. A key aspect of the draft National Security Act of 1995 is the creation of a 12-member commission to review national security, force structure, and readiness issues.

The Republican defense proposal also calls for a revitalization of the U.S. commitment to NATO. That recommendation contrasts sharply with recent comments by Senate Majority Leader-designate Robert Dole (R-KS), who, frustrated with the stalemate in Bosnia, has questioned the usefulness of the NATO alliance.

The draft legislation also calls for the deployment of both national and theater missile defenses "at the earliest possible date."

COMMITTEES: IN TRANSITION . . . CONTINUED FROM PAGE 12

HOUSE EDUCATION & LABOR

Leaving business alone . . . letting the states educate . . .

Rep. William Goodling (R-PA), the next chairman of the House Education & Labor Committee, plans broad philosophical hearings in mid-January to answer the question, "What is the proper federal role in education and workplace policy?" A package of Republican-drawn bills will accompany the hearings as the GOP seeks to capitalize on election momentum and revamp both the federal-state educational roles and federal involvement in corporate benefits. "We're looking at empowering America through decentralization," said one staff member. "We're saying it's time to trust the employee-employer relationship."

Is Congress playing by the rules? . . . The Education & Labor Committee's first order of business will be addressing the Republican Contract With America," but soon thereafter the panel will turn to an issue of concern to Goodling: Is Congress playing by the same rules as U.S. corporations? Recent federal laws on family leave and disability mandated congressional compliance, but laws such as OSHA don't apply to Congress and Goodling plans to investigate.

Staff to drop from 112 to 75 . . . This estimate is based on preliminary figures emerging from the panel staff, with tentative plans for a 2/3:1/3 Republican/Democratic mix for the new Congress. The current staff mix? Democrats 83, Republicans 29.

SENATE LABOR & HUMAN RESOURCES

Job Training is #1 . . .

Sen. Nancy Kassenbaum (R-KS), preparing to take the chair for the Senate Labor & Human Resources Committee next month, has already slated three days of comprehensive hearings on job training -- January 10, 11 & 12. Following the hearings, Kassenbaum is expected to recraft prior legislative proposals aimed at unifying and coordinating the more than 110 federal job training programs. Job training will also gain an early committee look as Republicans examine welfare reform. A staff member said Kassenbaum and staff will attend to two portions of the welfare reform package: job training and child care.

Two subcommittees may disappear . . . Kassenbaum reportedly may cut two of the panel's six subcommittees: Employment & Productivity and Labor. This would leave four subcommittees in place: Aging; Children, Family, Drugs & Alcoholism; Disability Policy; and Education, Arts & Humanities. Staff cutbacks are expected to parallel those of other panels, with Kassenbaum having said she'll seek a 25% cut in the staff's budget for next year.

HOUSE BANKING

Intensive look into derivatives market . . .

Incoming House Banking chairman Jim Leach (R-IA) has targeted three major issues for committee examination in the 104th Congress: 1. a detailed analysis of the derivatives market; 2. an examination of regulatory consolidation; and 3. possible amendment to Glass-Steagall. No hearings have yet been set, but committee sources anticipate oversight hearings will likely begin with the derivatives market, given Leach's intense interest in the subject.

These sources pointed out that little in the Republican "Contract with America" touches Banking Committee jurisdiction, thus early attention by this panel (the first 100 days) will be in oversight, not in active legislation.

Subcommittees to be trimmed to 5 . . . Leach reportedly plans to cut back House Banking subcommittees from six to five (an early recommendation of going to 4 has tentatively been rejected), with indications that no single subcommittee will be cut; instead, a full reorganization of responsibilities is planned. Behind the reorganization? An effort to minimize jurisdiction battles among panel members. The six subcommittees currently under Banking are: Consumer Credit & Insurance; Economic Growth & Credit Formation; Financial Institutions Supervision, Regulation & Deposit Insurance; General Oversight, Investigations and the Resolution of Failed Financial Institutions; Housing & Community Development; and International Development, Finance, Trade & Monetary Policy.

Republicans 25, Democrats 21 . . . The anticipated mix for the newly formed House Banking Committee would represent a panel reduction of 5 members. The current mix: Democrats 30, Republicans 20, Independents 1.

SENATE FOREIGN RELATIONS

Reducing the U.S. role in foreign aid, backing the UN . . .

Sen. Jesse Helms (R-NC), set to take over the Senate Foreign Relations Committee, has outlined a series of general priorities for the 104th session, led by close examination of whether the Agency for International Development and the Arms Control & Disarmament Agency should be trimmed. Helms also wants to: create a plan of action for when Castro leaves Cuba; explore cutting back our financial backing of the UN; eliminate treaties which are "detrimental to the best interests of the U.S."; reduce foreign aid, using the Overseas Private Investment Corp. as an alternative; and assess the Middle East Peace Process in light of the \$80-\$100-billion price tag.

SENATE FINANCE

A tax code which emphasizes investments . . .

Sen. Robert Packwood's (R-OR) four top legislative items as he prepares to take control of the Senate Finance Committee begin with encouraging investment through the tax code. The other three: welfare reform, incremental health care reform and expanded world trade. One staff member pointed out that with current attention on GATT, little focus has yet been placed on next year's policy agenda. Said one staffer: "[Packwood] is still talking with members about who's going to come on board."

SENATE ARMED SERVICES

Thurmond to key on readiness . . .

Sen. Strom Thurmond (R-SC), about to take the helm of the Senate Armed Services Committee, has in broad terms outlined his agenda for the 104th Congress: 1. assuring U.S. readiness; 2. making certain troop welfare remains high; 3. strengthening theater and missile defense systems.

COMMITTEES: IN TRANSITION

HOUSE WAYS & MEANS

No new "Empowerment" panel, subcommittees will stand . . . Early plans by the Republican leadership to dramatically alter the House Ways & Means Committee structure reportedly have been killed. Active plans to move two of the panel's six subcommittees -- the subcommittees on health and human resources -- to a new "Empowerment Committee" had been in the offing for weeks. The new panel would have housed a range of programs (welfare reform, job training, child care) that currently are scattered among several committees. But a staff source said this week "it's 99% certain" that the Ways & Means subcommittee structure will remain as is. The source added, "I'm pretty certain it's a done deal."

Welfare reform up first . . . A tentative January 6 hearing on welfare reform will kick off the hearing season for House Ways & Means, as the panel initiates a radically condensed hearing schedule aimed at approving a myriad of agenda items in the Republican "Contract With America." The January 6 hearing will be chaired by Rep. E. Clay Shaw (R-FL), who will assume control of the Ways & Means Human Resources Subcommittee next month.

Democratic staff to be sliced 75% . . . Total Ways & Means staff (professional and support staff combined) will be cut back dramatically by incoming Ways & Means Chairman Bill Archer (R-TX), dropping from 104 to 68. The new mix reportedly will see a 50:18 Republican/Democratic split, which compares with the current staff breakdown: Democrats 82, Republicans 18.

HOUSE ENERGY & COMMERCE

Panel will go "exclusive" . . . The House leadership reportedly will convert the Energy & Commerce Committee to "exclusive" status, that is, requiring Republican members who serve on Energy & Commerce to serve only on that committee. Currently three House panels are "exclusive" -- Ways & Means, Appropriations and Rules. The move reportedly is being made based on the "vast amount of legislation" that the panel expects to deal with next year, according to one staff member.

Subcommittees to shrink by one . . . The Energy & Commerce panel likely will trim its subcommittees from 6 to 5,

with plans to reorganize subcommittee jurisdictions rather than kill an existing panel. Currently the six panels are: Commerce, Consumer Protection & Competitiveness; Energy & Power; Health & Environment; Oversight & Investigations; Telecommunications & Finance; and Transportation & Hazardous Materials.

Product liability tops the list . . . The issue has emerged as the first the panel will debate outside the Republican "Contract With America." First off, however, the panel will examine product liability reform and risk assessment, both pieces of the GOP contract.

Staff to shrink by 50 . . . Committee staff will be cut from 141 members to 91. Staff members expect adherence to the 2/3rd:1/3rd rule (after clerical staff) for the mix of Republican/Democratic staff; such a mix would provide the new minority with a healthier size staff than the current mix, which is: Democrats 115, Republicans 26.

HOUSE AGRICULTURE

Farm Bill to take passenger (not back) seat . . . The January/February legislative agenda for House Agriculture will begin with four major issues encased in the GOP's "Contract With America" -- property rights, risk assessment, unfunded mandates and welfare reform (the portion that deals with the federal Nutrition Assistance Program) -- but the panel nonetheless will hold early hearings on the Farm Bill. A central issue for Rep. Pat Roberts (R-KS), the soon-to-be panel chairman, reportedly deals with budget balance, that is, making certain that "the House budget we're handed is fair to agriculture . . . and to make sure that the Ag budget is not nicking any one segment of the market," according to one staff member.

Rumormill: subcommittees may dip to 5 . . . A move to trim the number of subcommittees by one is afoot. Sources point out that such a move would "not be that difficult" given that current House Agriculture Chairman Rep. Kika de la Garza (D-TX) began the 103rd Congress with just five subcommittees, belatedly adding a subcommittee on Foreign Agriculture & Hunger. This sixth panel, one source noted, would be the most likely to go.

continued on page 11

SUBSCRIPTION ORDER FORM

- | | |
|--|---|
| ☐ Sign me up for a quarterly subscription at \$89 in the U.S.; \$99 elsewhere | ☐ Check enclosed |
| ☐ Sign me up for an annual subscription at \$356 in the U.S.; \$396 elsewhere | ☐ Bill me |
- (DC subscribers add 5.75% sales tax)

Name/Title _____

Organization _____

Address _____

City _____ State _____ Zip _____

Signature _____ Phone Number _____

Clip and mail to **Inside (the new) Congress**, P.O. Box 7167, Ben Franklin Station, Washington, DC 20044.
To order by phone, call toll free 800-424-9068. (In the Washington, DC area, call 703-416-8500.)

Fran -

12/1/94

**SPECIAL SCHEDULING REQUEST
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBER**

Today's Date: November :

Date of Request: 10/13/1994

Request for: POTUS

Type of Request: Message

Requestor Name: Mr. John Wiebusch

Title: Vice President, Creative Services Division

Organization: National Football League Properties, Inc.
6701 Center Drive West
Suite 1111
Los Angeles, California 90045

Contact Tel. #: 310/215-1606

Event Date: 1/95

Event Description: Super Bowl XXIX

Notes: The NFL would like a message from the President for the showcase program of the Super Bowl. There is a writing fee of \$2,000, which can be donated to the charity of the President's choice. President Carter wrote the introduction to the program last year.

Recommendations:

JP

EB

Marvin Krislov/Counsel's Office: Could you please provide your office's opinion regarding whether the President should provide such a message?

Please return to Room 457.

For some reason, John may not have received this memo. If he did, just let me know. If he didn't, please pass it on to him. Sorry for the confusion. Thanks,

Jessica
x65530

yes if
counsel
OK's

12/6/94
THE PRESIDENT HAS SEEN

The deficit is projected to decline for three years in a row for the first time since President Truman. And a recent study by international economists says that, for the first time in nine years, America has the most competitive economy in the world.

Today, it is with deep regret that I accept the resignation of the senior member of our economic team,

PHOTOCOPY
WJC HANDWRITING

Secretary of the Treasury Lloyd Bentsen.

I decided to ask Lloyd B to be a part of this Admin. after we rode on a bus across Texas. I had known + respected him for many years but in that talk and subsequent ones I saw how deeply he shared my commitment to Ag & E → reward hard working MC → give poor chance to work reduce # of in welfare of working more than into the welfare of the...

Lloyd Bentsen likes to say that you can serve your fellow men and women in many ways -- as a healer, a teacher, or a preacher -- but you can never touch as many lives as in public service.

PHOTOCOPY
WJC HANDWRITING

His leadership in swift & implementing
econ. legislation is one reason we're making progress
on all fronts → Right Off. Moves in history

→ Right ^{adverse} ~~move~~ in trade ~~agreements~~ in generation

→ Major cut in taxes for wage pay modest
unions → max 10% tax for firms → 20 yrs

→ Results → At least 5.2m more working
than 2 years ago. 4% low unemployment, Mfg. construction
growth ~~gtr~~ increase — the coming → 6% wage jobs 5 yrs

Tribute to the talent, perception, effort of our Sen
team & copy to LB —

Lloyd Bentsen has given his country more than a half century of service. As a pilot in the Army Air Corps in World War II flying combat missions over Europe, as a County Judge, a Congressman, a businessman, a U.S. Senator and Chairman of the Senate Finance Committee, a contender for President, and our party's nominee for Vice President -- Lloyd Bentsen has served with dignity and distinction. By any stand, he ranks as one of the leading economic policymakers of the post-World War II era.

As Secretary of the Treasury, his work has touched nearly every field of accomplishment of our

Administration. Making the economy work again for

ordinary Americans. Restoring discipline and

~~Bringing Bgt Def. reduction, spending cuts~~
responsibility to the budget. Helping private enterprise

create new jobs. Keeping America engaged in the world

and expanding trade through NAFTA, GATT, and our

negotiations with the Asian/Pacific economies. ~~Passing~~

~~Sev. in regulation. Tax reform ETC~~
the Interstate Banking Act. And making the Treasury

Department a full partner in the fight against crime and

violence.

Results → Def
→ Trade
→ Jobs
→ ETC
→ CR

→ Hi wage

PHOTOCOPY
WJC HANDWRITING

Beyond his role in all these policy areas, I have relied on Secretary Bentsen's good counsel and good spirit. He represents the best American tradition of working together in public service. He fights hard for what he believes. He respects his adversaries. And, at the end of the day, he finds common ground for the common good.

If you know Lloyd Bentsen, you know that the word "retire" is not in his vocabulary. He is not saying farewell to an active life. He is going back to the Texas he loves, and to the private sector which he knows is the heart and soul of our economy. And he will be spending more time with the family he loves, including his wonderful partner in life, his wife B.A., his three children, and seven grandchildren, of whom the latest was born last month.

William C. Calkins

Mr. Secretary, I will miss you. And I thank you
for all you have done for me and for the American
people.

Today, I am proud to nominate another leading
member of our economic team, Robert Rubin, to
succeed Lloyd Bentsen as Secretary of the Treasury.

Before joining our Administration, Bob Rubin built a brilliant career at Goldman, Sachs, and Co., where he manifested concern for the wellbeing of all Americans, particularly the people of our great cities.

Bob Rubin has helped our Administration do something that had never really been done before -- to have an economic team that really works together as a team.

with talent, discipline, strength
Me-

Forty-seven years ago, President Truman created the National Security Council, so that the leading officials in foreign policy and defense could work together. With Bob Rubin's leadership, we have created the National Economic Council, so that our economic policymakers work together for the good of the American people. He is the consummate honest broker who brings economic wisdom, common sense, and common decency to every challenge we face.

To borrow a famous phrase from the Treasury

Secretary: I know Lloyd Bentsen. I have worked with

Lloyd Bentsen. Lloyd Bentsen is a friend of mine. And,

Bob, you will be a worthy successor to Lloyd Bentsen.

~~Today, I am also proud to announce that White~~

~~House Deputy Chief of Staff Erskine Bowles will~~

~~succeed Bob Rubin as coordinator of the National~~

~~Economic Council.~~

Erskine Bowles built his own successful investment business in Charlotte, North Carolina. He brought his own keen sense about how to make private enterprise work to the Small Business Administration, where he cut red tape and championed the small businesses that create so many new jobs for American workers. I know that he will bring the same skills to the National Economic Council.

Lloyd Bentsen put together a great team at the Treasury Department. Frank Newman built a distinguished career in banking before joining the Treasury Department as Under Secretary for Domestic Finance. He will bring a steady hand and sound judgment as Acting Secretary of the Treasury until Bob Rubin is confirmed by the U.S. Senate.

Our economic team has accomplished a great deal in only 22 months. But much remains to be done -- to keep the recovery going, to extend its benefits to every American who is willing to work for a better life, and to prepare all our people for the competitive global economy. I am confident that this team will keep up the good work.