

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: April 27, 1995

95 APR 28 09:23

Date of Request: 4/06/1995
Request for: POTUS
Type of Request: Honorary Chairperson
Requestor Name: Ms. Denice Garner
Title: Resource Development Specialist
Organization: The Adult Literacy Program of Knox County
101 East Fifth Avenue
Knoxville, Tennessee 37917
Contact Tel. #: 615/594-3670
Event Date: 9/22/1995
Event Description: "Bid 'N Buy" Auction
Notes: The auction will be held in conjunction with
Literacy week. Proceeds will benefit the
Adult Literacy Program of Knox County
Schools.

Recommendations:

JP

ND

EB

4.28.95

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: April 27, 1995

95 APR 28 09:23

Date of Request: 4/26/1995
Request for: POTUS/FLOTUS
Type of Request: Honorary Chairs
Requestor Name: Mr. and Mrs. Abe Pollin
Title: Concert Chairs
Organization: Anti-Defamation League
c/o USAir Arena
One Harry S. Truman Drive
Landover, Maryland 20785
Contact Tel. #: 301/808-3020
Event Date: 6/27/1995
Event Description: Anti-Defamation League concert
Notes: The concert will be given in commemoration of the Holocaust and, more specifically, of those Christians who risked their lives to save Jews from the Nazis. Both the National Symphony Orchestra and its Music Director Designate, Leonard Slatkin, are participating in this concert free-of-charge. Sara Ehrman of the DNC recommends that the President and Mrs. Clinton lend their names to this cause.

Recommendations:

MW _____

JP _____

EB _____

yes

4-28-95

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: April 27, 1995

95 APR 28 09:23

Date of Request: 3/15/1995
Request for: POTUS
Type of Request: Honorary Committee Member
Requestor Name: Dale Dallas
Title:
Organization: Together for Kids
P.O. Box 510466
St. Louis, Missouri 63151-0466
Contact Tel. #: 314/846-1282
Event Date: 9/28/1995
Event Description: 2nd Annual Whitey Herzog Golf Tournament
Notes: "Together for Kids is a collaborative effort of concerned citizens, state agencies, universities and a private foundation brought together to promote public awareness, legislation and fund raising on behalf of abused children. Monies raised from the tournament will go to programming regional Children's Advocacy Centers across the state." Several sports celebrities are on the honorary committee.

Recommendations:

JP

WD

EB

4-28-95

THE WHITE HOUSE

WASHINGTON

April 28, 1995

95 APR 28 P5:51

MEMORANDUM FOR MIKE MCCURRY

THRU: JOHN PODESTA

FROM: JIM DORSKIND

SUBJECT: CINCO DE MAYO, 1995

Attached are copies of the President's message for CINCO DE MAYO, 1995, which you may want to release to the media.

Thank you.

THE WHITE HOUSE

WASHINGTON

CINCO DE MAYO, 1995

Warm greetings to everyone celebrating Cinco de Mayo.

The Fifth of May offers all of us a chance to celebrate the cultural diversity that helps to make our nation great. The vibrant Mexican culture, based on faith, family, and patriotism, has added a wealth of tradition to this country. Cinco de Mayo is an important part of this legacy, reminding us of the courage and commitment that can sustain the forces of freedom even when they are confronted with overwhelming opposition.

The liberty won by the outnumbered Mexican army more than a century ago lives on today as a part of the rich heritage of the Mexican people. Each time we remember the victory at the Battle of Puebla, we rejoice in the triumph of freedom and the blessings of tradition.

Hillary and I are pleased to extend best wishes for a most memorable and enjoyable holiday.

Bill Clinton

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

CINCO DE MAYO, 1995

Warm greetings to everyone celebrating Cinco de Mayo.

The Fifth of May offers all of us a chance to celebrate the cultural diversity that helps to make our nation great. The vibrant Mexican culture, based on faith, family, and patriotism, has added a wealth of tradition to this country. Cinco de Mayo is an important part of this legacy, reminding us of the courage and commitment that can sustain the forces of freedom even when they are confronted with overwhelming opposition.

The liberty won by the outnumbered Mexican army more than a century ago lives on today as a part of the rich heritage of the Mexican people. Each time we remember the victory at the Battle of Puebla, we rejoice in the triumph of freedom and the blessings of tradition.

Hillary and I are pleased to extend best wishes for a most memorable and enjoyable holiday.

WILLIAM J. CLINTON

#

THE WHITE HOUSE
WASHINGTON

*Callie
Letter to GS
re: Ach. History*

April 28, 1995

The Honorable Mike Gaines
5153 Westbard Avenue
Bethesda, Maryland 20816

Dear Mike:

Thanks for your letter of April 23. I was really touched by what you said.

The past week has been so tough, not only on the people of Oklahoma but also on the whole nation. I think you're right in a way that we're all victims of the tragedy in Oklahoma.

Still, my deep and abiding belief in the strength and resilience of the American people has been reaffirmed. We have a lot of work to do in the weeks to come as we seek to bring healing and hope to the victims of this awful crime and to our country.

Thanks for the good work you're doing. I hope to see you soon.

Sincerely,

Bar

Thanks

Mike Gaines
5153 Westbard Avenue
Bethesda, Maryland 20816
April 23, 1995

The President
The White House
1600 Pennsylvania Avenue, N. W.
Washington, D. C. 20500-2000

Dear Mr. President:

My pride in and respect for you goes back many years. I thought it had reached its highest point when I shook your hand on the day following your inauguration. These past few days, however, with the horror in Oklahoma City, I am prouder than ever. You and the First Lady are truly pillars of strength for our baffled minds and burdened hearts.

Seeing the recent interviews with the Michigan Militia and other "patriots", I am reminded of the trip Bobby Roberts and I took to Harrison to meet with members of the Covenant, the Sword, and the Arm of the Lord. My most vivid memory, over ten years later, is the look in their faces; a look of hatred, paranoia, and total commitment to their beliefs as they recited a litany of absurdities (the Protocols, the Zionist conspiracies, their hatred of the government, their "Christianity"). Talking to them was a disturbing and disquieting experience. I now see the same expressions in the faces of the militia members being interviewed, and it, too, is disturbing and disquieting.

I am also reminded of quiet conversations with Ralph Parker about Louis Bryant's death and the devastating effect it had on their family; the devastating effect it was continuing to have years later.

I know it is too soon to place blame for the explosion. But, it is not too soon to be concerned about, to denounce, and to turn deaf ears to the mean-spirited, hate-filled assault, over the airwaves, from pulpits, in the written word, and from person to person, on our country, our leaders, and our government. I am convinced that such rhetoric has a legitimizing and affirming affect on those who are ultimately capable of evil like that done in Oklahoma.

Next week, I will be back in Arkansas to attend an informal gathering of leaders of the various victims' rights groups from around the country. I have long felt that in

my line of work, it is a significant part of my role to be open and available to them. Sadly, in a very real sense, we are, now, all victims.

Please add my voice to the thousands expressing their support for what you are doing. You are always in this family's prayers.

Sincerely,

A handwritten signature in black ink that reads "Mike". The letters are cursive and fluid, with a large 'M' and a trailing 'e'.

Mike Gaines

THE WHITE HOUSE
WASHINGTON

April 28, 1995

William E. Marks
222 Katama
Edgartown, Massachusetts 02539

Dear William:

Thanks for your letter of April 23 and for what you said about the tragedy in Oklahoma City. Your encouragement means a lot.

Thanks, too, for the invitations to the two events on Martha's Vineyard this summer. I don't yet know what our family vacation will hold, but I appreciate the invitations.

Finally, thanks for letting me know about your upcoming trip to Washington. I hope to have an opportunity to see you when you're here.

Sincerely,

Bill Clinton

*Be jog file done
cc vacation
file?*

William E. Marks

Martha's Vineyard
Massachusetts, 02539
508/627-4929

July
4/25
cc
MS

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

April 23, 1995

Dear President Clinton:

Thank you for your commendable job in addressing the Oklahoma tragedy. Your immediate and direct approach in dealing with such an act of terrorism on American soil was reassuring. Hopefully, your message will reach the people and will help preclude such senseless violence from repeating itself in this country and others.

As you are well aware from your visits, life on Martha's Vineyard is one that provides a safe and healthy environment for our island children. However, these children watch TV, listen to radio news and overhear their parents conversations. Certainly, many of them cannot help but to be aware of the Oklahoma event. I believe that the television broadcast of your radio program reached a lot of people and helped to allay fears.

Last summer, due to off-island travel while working on my book, I was not able to attend the functions that you invited me to with only hours notice. Certainly, if I was on-island, I would have dropped everything to get to your gathering of friends. Hopefully, if your schedule permits a return to the Vineyard this season, we will again cross paths.

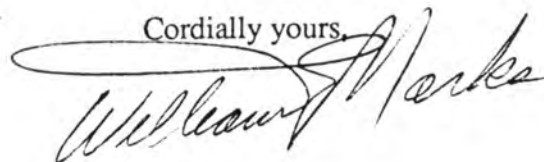
Enclosed is the photograph I treasure as well as a copy of your letter inviting me to visit the White House. I will be in Washington next month, and hope to be included in a jog with you. Under separate letter to Kelley Crawford, I have asked for help in scheduling such an opportunity. Yes, I too enjoyed discussing your environmental agenda. With the new push to undo twenty-five years of progress in working toward a sustainable global environment, we need more than ever to keep our hard-earned safeguards in place.

If you make it to the Vineyard this August, I will be setting up two events for my 96-year-old friend Eisie, who is now in a wheel chair. One is on April 13, an upscale publicized event at the Edgartown Harbor mansion of Ernie Boch. The other is on August 27, a small private get together in Chilmark, on an estate belonging to the family of artist Thomas Hart Benton. Perhaps you will be able to attend one of these. I have enclosed a Washington Post story on Eisie; you and your family have the distinct honor of being the subjects of his last photographs. Besides all else, this has earned your family a special place in history when it comes to the world of photography.

I too feel honored in the fact that I happened to take the only pictures recording this historic event, and that I had the opportunity to provide them to you and your family.

Looking forward with the hope of taking a jog with you around the White House next month, I remain

Cordially yours,



enclosures



THE WHITE HOUSE

WASHINGTON

October 6, 1993

William E. Marks
Martha's Vineyard, Massachusetts 02539

Dear William:

Thank you for your letter and for sending the photographs. My family and I had a wonderful time with you and the Eisenstaedts, and I do hope you'll be able to visit the White House in the spring.

I also appreciate your support of our environmental agenda.

Again, thanks for the photographs and for your kind words. I look forward to seeing you soon.

Sincerely,

A handwritten signature in cursive script, reading "Bill Clinton". The signature is written in dark ink and is positioned below the typed name "Bill Clinton".

From the desk of...

WILLIAM E. MARKS

4/23/95

Eisenstaedt, "the living
legend"

His last pictures
were those in 1993 of
the Clinton family on
Martha's Vineyard.

see attached.
W.E. Marks



A Life in Pictures

The amazing thing is, he's not dead. Serving the German army in the Great War, he was shelled at Flanders and almost lost both legs. Later, the Germans turned against his kind. Imagine: a Jew sharing the company of Adolf Hitler and Joseph Goebbels. Fortunately, the Nazis tolerated his line of work.

"I had no trouble at all," says Alfred Eisenstaedt, making it seem easy, as always. He is 96 years old, sitting in a wheelchair in a gallery surrounded by some of the most undecible images of the 20th century—his photographs. He is happy to tell you the details behind any of these famed black-and-whites: Winston Churchill's victory salute ("He was snoring and then the band played 'God Save the King'"); Katharine Hepburn on the set of "The Philadelphia Story" ("She showed me about eight or nine different costumes"); Ernest Hemingway ("I said, 'Papa, do you have a shirt to put on?'"). But Eisenstaedt does not want to be called famous, or an artist.

"You may think so, but I don't think so," he says with his oddly gentle German inflection. "I'm not an artist. I'm a photographer. Just a normal photographer, one of the boys."

He has taken, by his estimate, more than 1 million pictures; 86 of them appeared on the cover of *Life* magazine, where Eisenstaedt began working in 1936, after he wisely left Germany. ("It was the best idea I ever had, to save my life," he jokes.) Throughout this month, you can view 65 of his prints at the Circle Gallery in Tysons Galleria, where they are selling for prices ranging from \$1,300 (Hitler at von Hindenburg's funeral, 1934) to \$3,500 (Marilyn Monroe, 1953) to \$4,375 ("Premiere at La Scala, Milan, 1933"). Tidy sums for supposedly nonartistic photographs, but there's no charge for looking—it is a mall, after all.

Eisenstaedt made his last photographs in 1993, tight yet breezy portraits of Bill Clinton and his family vacationing on Martha's Vineyard. Even after cataract surgery, his eye was sharp and his sense of composition unerring. He now tries too easily to take assignments and travels only for gallery openings. But the photographer says he reports to work "every day" at the Time & Life Building in New York, sorting and cataloging photos. He's got a book on musicians underway, with words supplied by William F. Buckley.

Another project is *Life*'s special issue on the year World War II ended. Because of citizenship complications, Eisenstaedt was unable to cover the war abroad, but he caught the image that no doubt will make the cover: A jubilant sailor spontaneously kissing a nurse on V-J Day in Times Square.

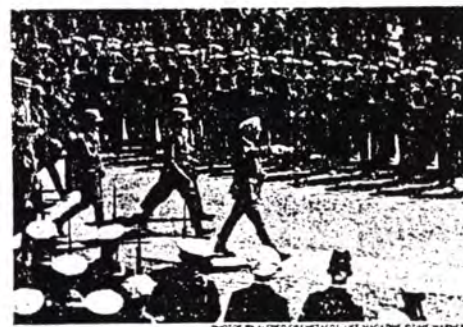
"A snapshot, accidental," Eisenstaedt says dismissively of what's been called one of the 10 greatest examples of photjournalism. "It's not my favorite." Perhaps he doesn't like the unforgettable picture because it really *was* easy—the subjects just fell in front of his lens, whereas he's often had to wait hours for the right moment. "I turned my film in at 8 p.m. They told me the next day what a great



BY MARY LOU FOR THE WASHINGTON POST



Alfred Eisenstaedt at his Circle Gallery show: "I'm not an artist. I'm a photographer. Just a normal photographer, one of the boys." Among the more than 1 million photos he's taken are "Premiere at La Scala" (1933), left, and "Hitler at the Funeral of Paul von Hindenburg."



PHOTOS BY ALFRED EISENSTAEDT; LIFE MAGAZINE; THE WASHINGTON POST

picture I had. I said, 'What picture?'"

Eisenstaedt says the secrets of his success are basic. "You have to anticipate and to have patience. Very important. Cartier-Bresson, he also waited for hours." His other maxim: "I work alone."

He has no children, and his wife, Kathy, died in 1972. He has his work and his memories, but does not appear to be happy with the world today. Drugs and crime worry him. Like many old people, he believes life in general was better in his youth. "At the premiere at La Scala in Milan, they played Rimsky-Korsakov, an opera. Everybody was dressed in tails. Can you imagine it today? The world was different at that time."

That world also had Hitler and Mussolini, who shook hands for the first time in Venice in 1934, a moment photographed by Eisenstaedt

for the Associated Press. That world was full of horror and hate. But Eisenstaedt started out taking photos of glamorous people (an assignment for *Die Dame*, a German fashion magazine, got him on the good side of fascist ministers), and never lost his connection to them. He is as proud of his autograph collection—proof of all those famous people he's met, the presidents, the actors and actresses, the musicians, the writers and artists—as he is of his photography.

Now people come to him for autographs. But he refuses. After more than an hour of talking with reporters, Eisenstaedt is exhausted. His eyes show the pain of an ordinary life stretched to extraordinary lengths. He is persuaded to sit for one more photograph. As he's wheeled into place, he says to himself, "It never ends." But when the camera flashes, he manages to smile.

—Richard Leiby

WILLIAM E. MARKS
MARTHA'S VINEYARD
MASSACHUSETTS 02539

4/23/95

Hello Kelly,

Thank you for being so receptive
to my telephone calls. I look
forward to meeting you some day -
hopefully soon!

Yes, I'd love to take a jog
with President Clinton around the
White House. I find the thought to
be exciting - since I am a regular
jogger along the beach behind my
Vineyard home.

If I do go jogging with the
President, I'll make sure to wear
my Vineyard threads.

Until again, I remain

Cordially,
William

CERTIFIED

William E. Marks
222 Katama
Edgartown, MA 02539

Z 345 393 208

MAIL



0000

U.S. POSTAGE
PAID
EDGARTOWN, MA
02539
APR 24, '95
PMOUNT

\$2.52
00057047-06

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

**RETURN RECEIPT
REQUESTED**

Attention: Kelly Crawford

THE PRESIDENT HAS SEEN
4.28.95

Laura
advising
KE

ALSO IN WASHINGTON

Democrat sounds off on his party's chances

Democrats may not deserve to regain a majority of seats in the Senate, says Sen. Bob Kerrey, D-Neb. "We may not be qualified to recapture the majority until we've given Americans a clear sense of our purpose and what it is that we intend to do with the power that we would have if we controlled the Congress once more," Kerrey said to the National Press Club.

Kerrey, head of the Democratic Senatorial Campaign Committee, is the party's lead fund-raiser for the 1996 senatorial campaign — and part of the re-election team President Clinton has assembled.

He refuses to handicap his party's chances of retaking the majority from Republican senators. "We're going to fight the battles that we believe are important," says Kerrey. "And if, in winning those battles, we win the majority, so much the better." — **Jessica Lee**

MEDICAL MALPRACTICE PLAN: The Senate took up proposals Thursday that would limit punitive damage awards against doctors and give special protection to some obstetricians. The lawmakers are debating a measure that would change the standard of medical malpractice law. The plan would limit puni-

tive damage awards in malpractice cases to three times the amount of economic damages or \$250,000, whichever is greater. It also would limit lawyers' contingency fees to one-third of the first \$150,000 awarded and one-quarter of awards over \$150,000.

DRUG COSTS: Americans may pay an additional \$6 billion for medicine because of an oversight in the new world trade agreement that extends the patents of brand-name drugs, some critics say. Pharmaceutical giants are battling consumer groups and generic-drug competitors before the Food and Drug Administration to determine whether they would get any windfall. At issue is whether GATT, the General Agreement on Tariffs and Trade, will keep low-cost, generic drugs from competing with more than 100 brand-name versions as fast as some consumers expect. "What's going to happen is we're seeing American consumers paying ... higher drug prices for a much longer period of time," said Sen. David Pryor, D-Ark. When GATT goes into effect in June, all new patents will last 20 years. Current U.S. law says patents last just 17 years. GATT also allows the life of some current patents to be extended to 20 years. In medicine, that means 109 brand-name drugs could get up to three more years of sales without generic competition. For example, the patent on the world's top-selling drug, the ulcer medication Zantac, was set to expire in December, but the manufacturer, Glaxo Inc., says GATT now protects Zantac until July 1997.

WORLD ROUNDUP

Israel announces plans to confiscate Arab land

Israel angered its PLO peace partner with news it would confiscate Arab land for Jewish housing and an Israeli police station in East Jerusalem. PLO leader Yasser Arafat accused Israel of violating the 1993 peace deal. The Palestine Liberation Organization views East Jerusalem, captured by Israel in 1967, as the capital of a future Palestinian state. This is the first time since 1991 that Israel had resorted to outright confiscation of Palestinian land.



AP
PICKERING: Sends search team

CHECHNYA SEARCH:

The United States is stepping up the search for an American disaster relief expert who disappeared April 9 in the war-torn Russian region of Chechnya. State Department spokesman Nicholas Burns said the ambassador to Moscow, Thomas Pickering, is sending a four-man diplomatic team to the North Caucasus to hunt for the expert, Frederick Cuny. Also, Russian President Boris Yeltsin

ordered Russian troops to cease fire in rebel Chechnya until May 12 to try to avert fighting when foreign leaders gather in Moscow to mark the 50th anniversary of the end of World War II in Europe. But Russian Defense Minister Pavel Grachev warned of heavy retaliation if Chechen rebels attack Russian troops during the truce.

KOREA EXPLOSION: A gas line exploded in the middle of an intersection crowded with morning traffic in the provincial capital of Taegu, killing 20 people and injuring up to 100 Friday, Yonhap TV News said. The explosion, 140 miles south of Seoul, was caused by gas escaping from a broken pipe near a subway construction site. About 30 vehicles were engulfed in flames.

GERMAN 'SINS': German President Roman Herzog, his voice cracking with emotion, expressed his shame and anger at Nazi crimes in a speech Thursday at the Bergen-Belsen concentration camp. "We Germans bear these sins heavily," Herzog told about 500 survivors and 4,500 others, including foreign ambassadors, Chancellor Helmut Kohl and leaders of the other major political parties. The Holocaust Remembrance Day was organized by the Jewish community.

EAGLE'S NEST: The U.S. Army, which has enjoyed skiing and golf at Adolf Hitler's alpine hideaway for 50 years, said it is giving the bulk of the complex back to the Germans. The German state of Bavaria will inherit most of Hitler's "Eagle's Nest" resort.

Press

THE PRESIDENT HAS SEEN

OLIVER S. HEARD, JR.
ATTORNEY AT LAW

4/27/
95

HEARD, GOGGAN, BLAIR & WILLIAMS
TOWER LIFE BUILDING
TENTH FLOOR
SAN ANTONIO, TEXAS 78205
(210) 225-6763

FRED

BIERE

5th CIRCUIT

J. ROBERT KERREY
NEBRASKA

THE PRESIDENT HAS SEEN

4/27

United States Senate

WASHINGTON, DC 20510

DO DEMOCRATS STAND FOR ANYTHING ANYMORE?

ADDRESS BY SENATOR BOB KERREY

TO THE NATIONAL PRESS CLUB

WASHINGTON, D.C.

APRIL 27, 1995

DO DEMOCRATS STAND FOR ANYTHING ANYMORE? That you would pay to hear me answer such a question is an indication of the shape the party of Jefferson and Jackson is in after the shellacking we took in last November's election.

I am here today to answer emphatically and enthusiastically yes! The Democratic Party stands for some of America's most important values, including being willing to help others with acts of shared sacrifice, service, patriotism, family and faith. We stand for a government that ensures an equal opportunity for every American to move up the economic ladder. We stand for continued efforts to help the poor, especially through universal public education.

I am here today to say that Democrats must also stand for a principle that has been challenged head-on by a new political environment that emphasizes blame and destruction rather than initiative and construction when it comes to facing up to our nation's challenges: We stand for a society that does not look for someone to blame for its frustrations and problems, but looks for ways to shame those who believe America's better days are behind us.

For Democrats, standing for something means more than building a list of policy options. Standing for something should be a risky business. It should entail more than participation in the latest wave of popular sentiment to amend our constitution or change our laws.

Standing for something should be an act of conscience, an act that is connected to some higher sense of purpose than political survival or

1

Leon/Kerry/Bush/Smith et al / VP
See whole book
Should read this - he
was on today -

B.

popularity, an act of leadership. It should be more than going with the flow of the latest poll. It should be more than cutting and pasting interest groups together with targeted direct mail, clever applications of technology, or promises to provide more money or benefits.

Standing for something should require us to raise more than ourselves out of our chairs or our voices out of our throats. Standing for something -- to paraphrase Abraham Lincoln -- should involve "raising a cause which will produce an effect and then fighting for the effect."

Raising a cause is exactly what the Republicans did in 1994. Their cause was that the Federal government -- especially the Congress -- had become a problem to be solved by electing Republicans. Democrats responded with a weak defense of the status quo and a counterproductive attempt to demonize the Republicans as extremists. The result was a catastrophic decline for my party, which had two years earlier been celebrating what we predicted would be an unrivaled period of legislative triumph and glory.

Failure is a bitter medicine. It can be distasteful to give credit to the new majority in the House of Representatives, but give credit we must. They have succeeded in doing the one thing which all lovers of the U.S. Constitution should applaud: Restoring Congress as a powerful actor in our government.

To give Republicans their due, they have cleared the stage in Congress by inviting Americans to address fundamental reforms such as tax policy, regulation, government structure, and entitlements. They are making it possible to prune the accretions of the federal bureaucracies and scrape the barnacles that have formed on our great ship of state.

But there is a dark side to this political success. The constant bashing of government and the relentless assumption that forces beyond our control run our government and our lives threaten to create an America in search of enemies within rather than partners next door. It tempts Americans to assume that the hard work of building a nation is unnecessary or fruitless because an invisible enemy -- the corrupt Congressman, the welfare cheat or the greedy corporate chieftain -- really runs the show. And far more

than Republican tax cuts or Democratic entitlements, it is this erosion of the pioneer spirit that built America that presents the greatest threat to our children and grandchildren.

Our culture is already feeling the impact of the politics of blame. Political appeals to white, male gun owners as victims of government oppression can unintentionally provide a silent refuge for right-wing extremists who believe that violence is a reasonable means to reach a justifiable goal. Politicians will protest this association, but they cannot hide from their own rhetoric, which made handgun waiting periods and limited changes in assault rifle ownership sound like the beginning of the end of all our freedoms.

We have all been too reluctant to voluntarily censure a rising tide of violent expression pounding wave after wave into the living rooms of American households in the form of entertainment, news and political commentary. And, our attacks on each other -- more vicious and personal with every two-year election cycle -- leave a new high-water mark of debris that sends this message to our youth: It is OK to act in any way you want so long as you win the game.

The scene in Oklahoma City is the tragic consequence of an unthinking tendency towards violence turned evil in hands controlled by murderous hearts. At first some almost seemed to hope the perpetrators were foreign terrorists. This would have been easier on us and would have allowed us to continue with our delusion that we weren't victimizing ourselves.

Can we turn back this tide of violence? I pray that we will, but prayer alone will not do the job. The water will continue to rise unless we begin by facing this truth: The change needs to begin with us. We will drown in our own bile unless we keep in our minds the images of the Oklahoma victims long enough to change.

Did you watch Sunday's day of mourning on CNN? Did you hear the words of a beautiful, young, red-headed mother who lost two sons? She said: "What am I supposed to do? Sell their clothes? What do I say when people ask me if I have children?" That's a government employee. She is

the bureaucrat being bashed in the talk-show epithets. Keep her in mind, let her become a martyr and just maybe we can beat this thing. Otherwise we won't have enough money to hire the police we are going to need to protect us from ourselves.

America! Let us wipe away our hatreds in memory of those who have become victims to hate's power to destroy. Let us not be frightened by threats that are imaginary. Let us cast aside the conspiracy theories and the notion that we are victims of our own government. What nonsense! This government is ours. And, if there is something about it we do not like, then let's get about the business of changing it. Let's end this pathetic, whining complacency which blames someone other than ourselves for the life we lead. And to those on the extreme right who are so dissatisfied and angry to the point of declaring war on this Government of ours, I am tempted to revive a phrase which you used a generation ago: America! Love it or leave it! But I won't, because I still believe this attitude is the definition of intolerance.

After the wake-up call of last November and the wake-up explosion of last week, we should call on Americans to do more for their country than merely complain about how bad things are. The spirit of a determined, purposeful, grateful, and respectful life and a commitment to working together to build a better nation should be the heart of a new Democratic message.

America! We are at a fork in the road. We either choose the difficult road and become masters of our own fate and destiny, or we continue on the wider, safer path which we trod today. One way leads to greatness; the other to a self-defeating ruin.

We Democrats cannot content ourselves simply with not being Republicans. We must renew our commitment to building a nation.

Our first cause must be to make certain that America has the strength to lead in the world. Democrats must be for trade agreements which build jobs at home, defense policies that promote stability, diplomatic efforts which resolve conflict, aid programs that extend economic development and democracy, and -- God forbid -- military actions which defend

American interests.

We must tell Americans there is no such thing as a free lunch in foreign policy. To fulfill the responsibilities of world leadership to which history has selected us will require us to pay a price. This price will tempt us to turn away from our duty, but only an American who has not visited Arlington Cemetery or the Holocaust Museum or the Vietnam Memorial can think for a moment that the United States should turn away. To do so would be a supreme act of decadence.

Democrats should call on Americans to engage in issues abroad almost as vigorously as those at home. Not only does our hope for peace hang in the balance, but in an export economy, so do our jobs.

We should emphasize moral leadership because it can be as formidable as a Naval fleet, a Marine division or a vibrant economy. Exhibits A and B are Vaclav Havel and Nelson Mandela. These two men led with a moral example and a message, not with bullets and bravado. And the world followed them. In today's world, nuclear families are a more powerful force than nuclear weapons.

Whether we like it or not, we lead by example. The world notes low voter turnouts, political corruption, citizen apathy and Congressional gridlock on the deficit. They diminish U.S. efforts to support democracy, the rule of law and free-market capitalism.

Moral leadership means recognizing that proliferation of weapons of mass destruction, conventional weapons and international terrorism are more destabilizing in a multi-polar world than they were in the past. We must press hard on all fronts. And we must not be so blinded by money that our weapons and technology sales become part of the problem rather than the solution.

Our second cause must be helping the poor and the less fortunate. By helping the poor, I do not mean the blind continuation of programs which at best assuage our conscience and at worse institutionalize poverty. Here again, we must discard the politics of blame, whether it be Democrats blaming the rich for the problems of the poor or the spectacle

of Republicans blaming the poor for what they want us to believe is the plight of the rich.

Democrats need to take care not to indulge the weaknesses of those we seek to help. As a species, we are unique in recognizing the value of work, but we are also unique in creating innovative ways to have someone else do the work for us. If we treat the poor as if they are economic victims, we are off to a bad start. Far better to encourage the poor to acquire the habits needed to generate wealth.

To be clear: We are not giving enough of our money or our time to the poor. Our safety net is not as luxurious as it is made out to be. To be poor in America is not as easy as our great wealth might lead a visitor to presume.

Democrats' greatest success will come if we focus on what we need to do to reward those who are willing to work and who regard welfare as something to be avoided. Our greatest success will come if we step inside the shoes of those American families who are holding down two or more jobs in order to generate the take-home pay to cover the cost of shelter, transportation, food and clothing.

These are the American families who are watching in horror as the gap widens between their standard of living and those at the top of the economic ladder. These are the American families who do not earn enough to buy health insurance, plan their retirement or send their children to college.

If Democrats take this view, we will see why Republicans are wrong to trust the market to do it all and why their proposals to cut child care, educational assistance, job training and school to work programs, and the opposition from many of them to universal health coverage, are so destructive.

Solving this problem is also difficult because progress is slow. And, it is difficult because the poor -- especially working poor families -- don't vote. That is why politicians pander with real money and real tax breaks to business interests and seniors who do vote while giving lip service to

the most vulnerable.

Once your heart is open to the condition of American children -- whose rates of poverty are four times higher than our industrial competitors -- you enter the world of teenage pregnancies, child abuse, and governmental turf battles. To say this is a war that will never completely be won is an understatement. But to say we will not try because the solutions are not clean, easy or appreciated is to surrender the most important high ground our nation must seize.

The critical player in the battle against poverty brings me to the third Democratic cause: Universal, public education. And here Democrats must turn to our friends, America's teachers, and say: We are willing to spend more, but we are going to expect more in return. And, we need to say to America's parents: Learning begins in the home. If a child comes to school without the motivation to learn, no teacher can save that child from your neglect.

And, now more than ever before, we must say to our children: In life there is no free lunch. Either a person acquires the motive to work hard to improve their abilities or no collective rewards will succeed.

I am here today to make the case for a larger role for the federal government in education, not a smaller one. By a larger role I do not mean a larger federal bureaucracy. In fact, I can make a case that a stronger federal role could occur even without a separate Department of Education. What is needed is a federal government with the money and the political will to leverage change that leads to real improvement at the local level. I am convinced Americans are willing to spend more IF they get more for their money. That means we must focus on results rather than litmus tests about whether a teacher has satisfied the eligibility requirements of the union. That means we must make learning relevant and exciting so that students will discipline themselves to do the work. That means that we adults must value learning and discovery, because children will always tend to do as we do, not as we say.

What is needed is to follow the development of performance standards at the national level with a national commitment to achieve results in every school district, rich and poor. The federal government needs to become a

04-27-95 09:14AM FROM SENATOR KERREY TO 94300210 P009/029

full partner in the venture of learning instead of a meddling regulator in the details of running local schools.

Americans should not get the idea that, by proposing national standards and a national commitment, I am suggesting that the solution for our educational problems lies with the government. It requires a commitment that begins at home and an understanding that educating our kids is hard work.

It is past time for us to stop wishing our schools got better and start doing something about it. It is past time to stop ignoring what our eyes and ears tell us: Every year, we are losing too many of our children of all economic backgrounds to drugs, despair, and underachievement.

So, what do we do? How do we move from where we are to where we want to be? We should begin by recognizing this fact: The most important learning still occurs in the home, and other non-school settings. A well-motivated student will climb mountains to learn; a poorly-motivated student will fail no matter how much money or technology we give them.

For 185 days a year our children are not in school. Even for the 180 days they are in school, the total time spent on the educational conveyor belt is about seven hours, five days a week. I propose we focus our attention on this large block of non-school time. If our communities can get students pumped up and enthusiastic about learning when they are not in school, nothing will hold them back when they arrive at the school building.

I propose offering community wide coalitions in America a full Federal partner who is prepared to put real money on the line if they are prepared to do the same AND if they are prepared to declare up front what measure of success they intend to accomplish. Community wide coalitions would include community leaders from schools, cities, counties, libraries, museums, law enforcement, social service agencies, and churches. We want everyone involved in the planning and everyone involved in the work and everyone involved in the funding.

I propose to put an emphasis on the deployment of educational technology. My vision is that children and adults will have in their home and edu-

computer which enables them to do curricula-relevant work right in their living room. My vision is that state school boards would set standards to determine what is curricula relevant, and then the private sector would produce the programming. We need the creativity of the private sector so educational graphics will be as attractive as Beavis and Butthead.

I propose the Federal government offer \$40 billion per year for five years to communities prepared to sign five-year performances contracts. It will take this kind of money to do the job. Most, if not all, of this we can get by reducing spending in other areas of our \$1.6 trillion budget.

The fourth Democratic cause is the need to increase personal and national savings. Savings is one of those rare times when the interest of the individual and the interest of the nation intersect. And, it is one of those rare areas where the difficulties of acquiring the habit of saving faced by the individual mirror those faced by the nation.

Again, we must make it clear at the beginning: There is no free lunch. Either the individual makes a conscious decision to defer current consumption or there will be no savings. Either Americans save enough money to keep the equipment used by workers and businesses modern, our transportation system efficient and productive, our employees well trained and ready to compete and our interest rates low, or we have to continue to borrow from abroad.

Today, we are the world's biggest borrower. We should be the world's biggest creditor, as we were until the middle 1980s. To become a banker instead of a borrower, an investor instead of a recipient, we are going to have to learn again the value of saving our money.

The most reliable way to increase national savings is through deficit reduction, another task in which politicians like to blame rather than build. Savings is hard precisely because the act forces us to make choices between things we would like to have and things we know we need to have in the future. There is a powerful moral dimension to savings because it forces us to defer gratification and invest in the future. Not only is this good economics, but it is also a good example for our children.

When it comes to deficit reduction, Democrats and Republicans must join together to get this job done. At the same time, Republicans cannot expect us to sign on board on a take-it-or-leave-it basis. They are going to have to give up their cherished \$200 billion tax cut just as we are going to have to yield on our cherished entitlements.

On the issue of the biggest entitlement of all, federal health care programs, we Democrats must take care not to seek justifiable political revenge. As Republicans face the issue of rapid increases in Federal health programs, they are reaching many of the same conclusions for which they pilloried Democrats last year. As they examine and become advocates for managed health care, they are beginning to sound like the President they attacked last year as a socialist.

A little "I told you so" is in order. What is not in order is to demagogue the issue. Controlling the cost of health care will mean real change for all Americans. The government can't do it for us. We must stop asking for subsidies that we do not need and must begin participating in cost controls as individuals.

Again, there is no free lunch. One of the best bumper stickers made last year by opponents of health care reform said, "If you think health care's expensive now, just wait until it's free." Unfortunately, this is already the case now: Americans who don't need to be subsidized are already being subsidized by Americans who do.

A second way of increasing national savings is to reform the Social Security system so that it begins to take on the characteristics of a private pension whose foundation is savings rather than consumption.

Social Security is a grossly misunderstood and misrepresented program. For all the foolish rhetoric about solvency or waiting another five or 10 years before we act, you might think a high percentage of the Congress is mathematically illiterate. Social Security -- contrary to popular myth -- is not a savings program. Indeed, it is only marginally operated as social insurance. Instead, Social Security is a 60-year-old commitment by those of us who are working to allow a fixed percentage of our wages to be taxed to pay for benefits promised to those who have reached retirement

age.

I propose to redesign Social Security into a true savings program by allowing 1-1/2 to 2 percent of the 12 percent tax to be invested in higher-yielding equities in individual Social Security retirement accounts. For younger workers, this would have the effect of providing them with a true savings account that could be used by them at retirement in exchange for a smaller payment from Social Security.

A third way of increasing our national savings is to radically overhaul our tax system to provide American households and businesses with a powerful and reliable incentive to save. As a long-standing advocate of a steeply progressive consumption tax as a replacement for our income tax, I am pleased by and supportive of Republican enthusiasm to throw out the old and bring in the new.

Tuesday I was pleased to be an original cosponsor of USA Tax -- developed by Senator Domenici and Senator Nunn -- which does just that.

This speech is a short statement intended to make a simple and clear point: We Democrats are prepared to take a stand. Our stands for justice and equality of opportunity will continue to be the defining and most important impulse of liberal democracy. Each of the issues I have mentioned to you today has something in common: Blame won't get the job done. Not one of them will get fixed by Republicans getting the government off our backs or Democrats throwing money at the problem. All of them require a commitment from neighbors, from communities and from a nation to build a better future. These battles may not put us back into the majority any time soon, but they will enable us to say with pride that when the moment came to stand up for what we believe is right, our courage did not fail us.

-end-

QUESTION AND ANSWER PERIOD

MR. KARMIN: Do you expect any more Senate Democrats to retire after this term? And what are the odds of Democrats retaking control of the Senate in 1996? And if you can point to some specific seats, you can answer both questions for us.

SEN. KERREY: What are the odds? I don't bet on bad things happening, so I don't know what the odds are. I know that there are several both Democrats and Republicans that have indicated that they have not yet made up their mind as to whether or not they'll run. I can't forecast our chances for recapturing the majority in either the Senate or the House. I said at actually the time that I accepted this job from Leader Daschle that I do not believe that we're going to capture the majority; indeed, we may not be qualified to recapture the majority until we've given Americans a clear sense of our purpose and what it is that we intend to do with the power that we would have if we controlled the Congress once more.

So that's why I've laid -- attempted to lay for not just you but what I intend over the course of the next 19 or 20 months to do with other Americans to say that our cause is making sure that America is strong and leading in the world; our cause is

making sure that we do all we can to help the poor, particularly the working poor; our cause is to improve the quality of public education; and our cause is to increase the savings rate both of American households and for America as a whole and that we are prepared as politicians to risk our political careers. We don't follow the strategy of trying to paste together interest groups to make this work. We're not trying to do whatever we have to do in order to recapture the majority. We are going to fight the battles that we believe are important. And if, in winning those battles, we win the majority, so much the better.

MR. KARMIN: When Senator Ted Kennedy appeared at the Press Club earlier this year, he said that the last thing the nation needs is two Republican parties. But many Democrats sound more and more like Republicans. Is Senator Kennedy right or are former Democratic senators Campbell and Shelby right?

SEN. KERREY: Shelby and Campbell are darn sure right, but not to the right. (Laughter.) I personally think it's no question that it's interesting to somebody other than me. I'm not terribly interested in trying to figure out whether I'm sounding like a Republican or sounding like a Democrat. I'm trying to figure out what I believe this country needs to do

and then, to the best of the ability that I've got, articulate that and try to fight for it. I think if we do that, it may be that we don't recapture the majority, as I said earlier. But it may be that there'll be some Democrats unhappy, some Democrats happy, some Republicans unhappy, some Republicans -- I mean, I don't know. What we have to do is to say, "Here's what we believe needs to be fought for, here are our causes," and then go out consistently, time after time after time, and demonstrate that we're willing to put our butts on the line for those things we believe in.

MR. KARMIN: Tom Daschle today criticized Republicans for considering reductions in Medicare. Do Democrats make a mistake in making Medicare reform, the fastest-growing entitlement, making Medicare reform a partisan issue?

SEN. KERREY: Yes, we do. (Laughter.) But, you know, what I tried to indicate earlier was that I think Democrats should come to the Republicans and say, "Look, we're not going to take your budget deal on a take-it-or-leave-it basis. Here's what you have to do. Take that \$200 billion tax cut and put it where the sun doesn't shine. Forget it. We've got a deficit to deal with here. Number two, we are willing to work with you on a bipartisan basis on entitlements. But number three, we've got

to get everybody in the system. We've got 20 (million), 30 million Americans out there working like mad night and day, sometimes two, three jobs, and they can't afford to buy health care. Now you're telling me the market's going to fix it. Well, the market isn't going to fix it."

There's something rather arrogant, and in my judgment hypocritical, when I hear a 30-year-old snot-nosed lawyer arriving in the House of Representatives saying to me that he's against raising the minimum wage because he wants the market to do it when the market wouldn't pay him \$25,000 a year. He's making 136 grand in the House of Representatives and he comes and says, "We'll let the market provide health care for those workers out there who are getting \$5, \$6, \$7, \$8 an hour." So Democrats have to come with a little fire and say to Republicans, "You know, we're market-oriented, too. We love free-market capitalism. But sometimes it doesn't work." And we remember what's going on out there on the street. We haven't forgotten what it's like to try to hold your family together on a relatively small amount of income. (Applause.)

MR. KARMIN: Do you believe President Clinton has shown leadership in addressing the problem of fast-rising

entitlements?

SEN. KERREY: No, I don't. He showed leadership in putting the commission together. And by the way, it was not in exchange for the vote. I told him that he could do it if he wanted to do it, and he did show leadership in putting that commission together. But he air-brushed it out of this year's budget for a number of reasons. And at the same time, I'm persuaded that, given the fact that the president's got to choose what he's going to lead on, he's just chosen not to lead on this. That's all. I don't think he's a bad president because he didn't put this on his agenda. He's got other things that are important to him.

I do believe that if Senator Simpson and I, who intend to introduce legislation addressing the Social Security and retirement problems in the next week or 10 days, I hope, and we'll follow it with some reference on health care as well -- again, to me, health care is still the driving engine of the entitlement problem. I believe we can make the case and build a bipartisan consensus for it. I believe the president will, in the end, lead on it.

MR. KARMIN: Knowing of your dedication to reducing the

deficit, what is your view of proposals to drastically reduce or eliminate farm subsidies to reach that goal? And do you think those subsidies will, in the end, be reduced?

SEN. KERREY: I mean, I would support reductions in the farm program payments, and have in the past, and will so again, to get deficit reduction accomplished. And as a longer answer to this, I think our current farm programs are not well-designed and they've not been terribly well-operated. We as consumers have a fundamental decision to make, and that decision is do we want the government of the United States of America, on behalf of us, to withhold grain in reserve so that we don't have wild fluctuation in prices? That's what the government does. Government's made a conscious decision to hold those food grains that are very important to us so that we don't get wild fluctuation in prices.

And we recognize that once we have those inventories, that pushes the price down, and so we pay a subsidy to the farmer so they can have a chance to make a living. If we're going to downsize these farm programs, at some point I may turn all the way over and say, "Let's get the government all the way out of the business. Let's get the government all the way out of the

business." And then consumers are going to sit and say, "Well, sometimes we may have higher food prices." That may happen.

God still determines a lot of this stuff. We still -- I mean, agriculture is not like most other manufacturing businesses. We manufacture our product out-of-doors. We plant in the spring, we harvest in the fall and we pray for good weather in the meantime and bad weather in Iowa. That's what we do in Nebraska. (Laughter.)

So in '87 and '88 we got back-to-back droughts and there were an awful lot of people in early 1987 saying, "These surpluses are terrible," and in late 1988 were wondering, did we have enough inventory to prevent inflation and a recurrence of many of the things that we had just gotten rid of in the early '80s.

So my advocacy of the farm program is not just on behalf of farmers. It's also on behalf of American consumers.

MR. KARMIN: Turning to the Oklahoma City tragedy, what is your view of legislation that might be needed to both put a stop to terrorism and yet preserve and protect our civil liberties?

SEN. KERREY: Well, I will say again, we don't have enough money to hire the policemen to protect ourselves from

ourselves. If we don't do something about our own tendency to become violent during the campaign, when we're arguing with people -- you drive down a highway in this town and you wonder whether or not you ought to have a loaded .38 sitting under your seat. I mean, it's tough just driving to and from work in this country anymore.

I happen to think that some of the proposals that the president has made to allow our law enforcement officers to move a little quicker are good proposals. I'm a defender of the Constitution, and Monroe and I were discussing here earlier a situation we had in Nebraska in '84 when a farmer took the law in his own hands and we ended up killing the farmer as a consequence of his decision to load up a Thompson submachine gun, put camouflage on and come out of the house. And fortunately the second round jammed in the chamber; otherwise he would have taken some lives. So I've got some personal experience with this.

I know that when Americans become terrified, when people become terrified, they become disoriented. That is the intent of terrorism. We have to be careful when we're in disorientation that we don't throw out the Fourth Amendment and other sorts of things that we'll end up regretting at some

point down the road. Having said that, I say, I'll say again,

I think that the job of stopping violence is a personal one.

We think it's foreign terrorists or just some wild wacko down there. I mean, the trouble we have in this particular situation, this guy looks an awful lot like us. You know, he doesn't look very foreign to me. This guy served in the armed forces and looks an awful lot like you and I. And, oh my gosh, maybe there's something going on there.

Well, there is something going on there. The -- I don't say that talk radio caused all this stuff. Talk radio sells programs, sells advertising by treating people like crap. That's how the ratings go up. You get mean with somebody. You belittle them. You know, you say, "Oh, that crippled Kerrey," or something like that, whatever it is that sells advertisements, you know? Make fun of people. Belittle them. Trash them. And I just think that, you know, we -- we are going to have an awfully difficult time restoring order in the United States of America until we sort of look in the mirror and examine our own behavior.

MR. KARMIN: As a veteran and hero, can you tell us whether the military should keep a closer watch on the mental stability of the people it trains and, secondly, what about the growth -- (laughter) -- the growth of these paramilitary --

SEN. KERREY: Who asked me this question? (Laughter.) What about what?

MR. KARMIN: The paramilitary groups out there. Should they be -- should they be restricted or monitored or supervised in some way?

SEN. KERREY: Well, I don't know which newspaper it was that ran the headline, "Army -- former Army person responsible," or something like that. I mean, I just think the fact that this individual was in the United States Army was not the reason that he did this, in my judgment, and my guess is that the number of people who flip out as a consequence of having been in the service is much smaller than the number of people who flip out as a consequence of working the commodity exchange in Chicago. (Laughter.)

I don't -- I mean, here's my cast on these paramilitary groups. They get out there and, you know, they want to do target practice and put your jungle fatigues on and make sure you pull your shirt out so you can't show your big fat belly, and you want to get real tough and say, "By God, you know, I'm going to do this," go ahead, you know. Let your boys with toys

have fun, have your little deal out there and slap each other on the back and do all that guy stuff, but if you say that you're going to take the law into your own hands and threaten your neighbor or you think that you're going to threaten this government, we'll shut you down. We'll take away your guns and we're going to walk you into the office and we're going to do a little fingerprint deal and we're going to charge you with something, and you're going to find yourself now in the judicial system, and you're going to see that you have a lot more power than you thought you did.

The idea that the government of the United States oppresses you as an individual is nonsense. You've got more freedom in this country than any other country on earth, and it makes me sick to my stomach every time you open your mouth yapping about all the problems that you've got.

Either get involved and change it, in my judgment, or quit complaining about the things you don't have. That's my view towards these guys whose testosterone levels are dropping and they don't know what else to do. (Laughter and applause.)

MR. KARMIN: Should the FBI be given more authority to infiltrate some of these groups?

SEN. KERREY: I know Judge Freeh is up on the Hill today in the Judiciary Committee asking. I don't know precisely what he's asking for. I mean, I do think that it may be reasonable, but I'm just -- as I said, the burden of proof is on the law enforcement people. If they come and they make a case strong enough that if we'd just allow them to do this, they'd be able to cut this sort of thing off earlier, I'm willing to give them both the legal and the fiscal resources to get the job done, but they've got to meet that test in order for me to vote yes.

MR. KARMIN: Again, as a Vietnam veteran, what is your view of Robert MacNamara's recent mea culpa book?

SEN. KERREY: Well, I was over in China when -- or just heading over to China, my first trip there, and I, frankly, think the book is a -- well, I haven't read the book. I shouldn't -- all I've done is read news accounts of it and Halberstam's long account of it in the L.A. "Times."

I mean, I can understand somebody going through the exercise of saying, "God, I did something bad and I want to tell you all about it," but I don't find it terribly useful in guiding me to

policy conclusions today having to do with Vietnam or China, but that's what I think we have to do. How do we go forward? How do we move on?

I was a critic of the war when I got home, but I must say to you that I think that we did go there with the purpose of fighting for freedom. The idea that it was for the domino theory or whatever the hell it was that MacNamara had in his mind was one of the reasons that we got in trouble. Because we didn't see it as a fight for freedom, we allowed corrupt politicians and leaders to occupy offices in Saigon.

And because we didn't see it as a battle for freedom, we come back to Vietnam today not even talking about freedom, not even talking about human rights. We go to China and businesspeople over in China say to me, "Well, Senator, you don't understand the culture over here." They do? Okay. (Laughter.) What's the culture, Mr.

Businessman? "Well, you know, these people, they really aren't very good at democracy." Well, there's a good piece of news. Should we say to every Asian-American, "We're going to take away your right to vote"? Where'd they learn it, anyway, all these Asians that come here and become citizens? Did they acquire it somehow? Is that what the judges do, they teach

them how to vote?

Well, the fact is they've got the capacity for self-government. In my lifetime, the people of China will have a peaceful transition by electing a president. It'll happen. And for us to go over to Vietnam or China and presume, well, you know, you folks don't have the capacity and this idea of democracy is a western idea -- democracy is not a western ideal. We hold these truths to be self-evident -- Communism is the western idea. That's the idea that was exported over to China and to Vietnam.

So, you know, I just think that we -- we -- we ought not to treat Mr. MacNamara unkindly. He's venting his soul and his heart and it's very painful, I'm quite certain, to do it, but I think what we need to try to do is go to China and be relentless in the pursuit of our objectives, and Vietnam the same way, and try in some fashion to reconcile some of the bitter and anguished feelings that we have.

And as a -- I can't actually say his name, but a former vice minister in the ministry of Foreign Affairs threw a banquet for myself and our small little group of folks that went over

there, and they have a custom in China -- for those of you who've been there, you know it -- where they drink very warm rice wine and they do a thing called gombel. You take a belt of wine and say, "Gombel," and that's a little toast.

So the guy stands up and he toasts me, and we all stand up and belt down the wine and say, "Gombel." I do to the same thing. We do that until the wine starts to lower inhibitions and we start to tell the truth. (Laughter.)

Well, this Chinese guy, this man, who's about a generation older than I, he stands up and he says, "I'll never forget in 1947 that I fought against the Kuomintang who were supplied by the United States of America. I was shot," he said, "by an American bullet." And that kind of cast a pall over our little party, and so I said, "Well, I'll never forget that in 1969 I was blown up by a Chinese grenade and shot at by ChiCom AK-47s. Must you and I gombel to the fact that we were damned near killed by each other's weapons and we stand here today trying to build peace between our two countries?"

It is possible for us in the debating of the MacNamara book to do good things, and it's my hope and, indeed, my responsibility that we, in fact, are -- we, in fact, are able

to take the MacNamara book and get good foreign policy out of it.

MR. KARMIN: Thank you. Now, before we get to our final question, I have a couple of gifts for you here.

SEN. KERREY: This is a free lunch!

MR. KARMIN: This is a free lunch. (Laughter.) A certificate of appreciation for being with us and one of our famous National Press Club coffee mugs to keep you awake during your congressional debates.

SEN. KERREY: Thank you very much.

MR. KARMIN: Final question. Senator, will you run in the 1996 Iowa caucuses?

SEN. KERREY: No, I won't. (Laughter.)

MR. KARMIN: Thank you very, very much for being with us.
(Applause.)

That concludes our luncheon. Thank you all for being with us

HIGH COURT KILLS LAW BANNING GUNS IN A SCHOOL ZONE

BITTERLY DIVIDED RULING

5-to-4 Decision Deals Blow to Federal Government Role in Local Law Enforcement

By LINDA GREENHOUSE

WASHINGTON, April 26 — The Supreme Court today dealt a stinging blow to the Federal Government's ability to move into the realm of local law enforcement, ruling in a bitterly divided 5-to-4 decision that Congress acted beyond its constitutional authority five years ago when it made possession of a gun within 1,000 feet of a school a Federal crime.

The decision, with a majority opinion by Chief Justice William H. Rehnquist, was based on the Court's interpretation of the authority of Congress to regulate interstate commerce. While not overturning any precedents, the decision marked a sharp departure from the modern Supreme Court's expansive view of Congressional power to regulate commerce.

Justice Stephen G. Breyer, in a dissenting opinion, said the decision "threatens legal uncertainty in an area of law that, until this case, seemed reasonably well settled."

The Constitution's grant of authority to Congress to regulate interstate commerce has been the basis for the development of the Federal Government in many of its most familiar aspects, particularly since the Supreme Court reversed course in 1937 and began to uphold the regulatory laws at the heart of the New Deal.

The last time the Court overturned a Federal law on the ground that it exceeded the Congressional commerce authority was 1936, when it struck down minimum-wage and maximum-hour requirements in the coal industry.

The ruling today, declaring unconstitutional the Gun-Free School Zones Act of 1990, cast doubt on the ability of Congress to exercise jurisdiction over a range of activities it has recently defined as Federal crimes, including car jacking, drive-by shootings and violent demonstrations at abortion clinics.

Unlike the law the Court struck down today, which made it a crime simply to have a gun in a particular place, most Federal gun laws regulate activities like buying, selling or importing guns, activities that fall within the classic definition of interstate commerce and that the ruling today did not disturb.

But at the least, the decision is likely to encourage a new round of legal challenges to other gun control laws. "Everything will be tested now," one Congressional aide said.

For example, one recently enacted Federal law, the ban on assault weapons, which is already the sub-

Continued From Page A1

ject of a Federal court challenge by the National Rifle Association, makes it a crime to possess the weapons as well as to manufacture or import them. Possession of machine guns, undetectable handguns and "cop-killer" bullets are also crimes under various Federal laws that may now be open to legal attack.

The Brady law, which imposes a five-day waiting period for gun purchases and requires state officials to conduct background checks of purchasers, has already been declared unconstitutional in a half-dozen Federal district courts. The basis for those decisions, which the Clinton Administration is appealing, was not the Congressional commerce power but state autonomy under the 10th Amendment, which reserves to the states the powers not explicitly delegated to the Federal Government by the Constitution.

While that is a different rationale than the one the Court employed today, the 10th Amendment and the commerce clause are closely related elements of an ongoing constitutional debate over state power within the Federal system.

The language of federalism rang strongly through Chief Justice Rehnquist's majority opinion, as well as in a concurring opinion filed by Justices Anthony M. Kennedy and Sandra Day O'Connor. Justices Antonin Scalia and Clarence Thomas, who filed his own concurring opinion, were the other members of the majority.

Joining Justice Breyer in dissenting were Justices John Paul Stevens, David H. Souter and Ruth Bader Ginsburg. Justice Breyer took the unusual step of reading from the bench this morning a portion of the dissenting opinion he wrote for himself and the three others. Justices Stevens and Souter filed their own dissenting opinions as well. Justice Stevens called the majority ruling "extraordinary."

In his majority opinion, Chief Justice Rehnquist said the Administration's arguments for upholding the Gun-Free School Zones Act "would bid fair to convert Congressional authority under the commerce clause to a general police power of the sort retained by the states."

The Chief Justice said the law was "a criminal statute that by its terms has nothing to do with 'commerce' or any sort of economic enterprise, however broadly one might define those terms." He rejected the Administration's argument that guns and violence in schools hurt the economy by undermining the educational process and making children less productive workers and citizens.

"If we were to accept the Government's arguments, we are hard-pressed to posit any activity by an individual that Congress is without power to regulate," Chief Justice Rehnquist said. By the same logic, he added, school curriculums and state laws governing divorce and child custody would also come under Federal control.

In his dissenting opinion, Justice Souter accused the majority of having abandoned the principles of judicial restraint. He urged his colleagues to remember the "painful lesson" of the New Deal era, when the Court's activism in striking down Federal laws under the commerce clause brought the Court into disrepute and under sustained political attack.

"It seems fair to ask whether the step taken by the Court today does anything but portend a return to the untenable jurisprudence from which

the Court extricated itself almost 60 years ago," Justice Souter said.

One lesson from that period, he said, was that "nothing about the judiciary as an institution made it a superior source of policy on the subject Congress dealt with."

In the dissenting opinion that Justices Souter, Stevens and Ginsburg also joined, Justice Breyer said the decision "threatens legal uncertainty" in legal matters that until now "seemed reasonably well settled." His opinion included a 17-page ap-

A ruling that casts doubt on some of the commerce authority of Congress.

pendix listing studies and reference works on violence in the schools and on the connection between education and the economy.

"Why could Congress, for commerce clause purposes, not consider schools as roughly analogous to commercial investments from which the nation derives the benefit of an educated work force?" Justice Breyer asked.

One question the majority left unresolved was whether the Gun-Free School Zones Act might have been upheld had Congress, in passing the legislation, included the references and detailed argument that the dissenting Justices provided.

Some passages in Chief Justice Rehnquist's opinion could be read as indicating that a more detailed rationale for the legislation — not by Government lawyers defending it in Court but by those sponsoring and voting for it at the time — could have bolstered the case that education was sufficiently connected with the national economy to come within Congressional authority.

But other part of the opinion appeared to look the other way, both with respect to the question at hand and to the broader issue of structural limits on Federal power over the states. The outer limits of Congressional authority under the commerce clause "always will engender legal uncertainty," he said, adding, "The Constitution mandates this uncertainty by withholding from Congress a plenary police power that would authorize enactment of every type of legislation."

Federal actions like caps on medical malpractice awards, which have been approved by the House of Representatives and are being debated in the Senate, will be open to challenge under today's ruling if they ever become law because this area of law is historically a state preserve with a limited connection to interstate commerce. The pending legislation also includes limits on damage awards for defective products, which would be likely to survive a challenge because products move in interstate commerce.

The decision, *United States v. Lopez*, No. 93-1260, upheld a 1993 ruling by the United States Court of Appeals for the Fifth Circuit, in New Orleans. That court overturned the conviction of a San Antonio high school student, Alfonso Lopez Jr., for violating the Gun-Free School Zones Act by carrying a concealed .38-caliber pistol and five bullets to school. The appellate court invalidated the law, calling it "a singular incursion by the Federal Government into territory long occupied by the states."

THE NEW YORK TIMES, THURSDAY, APRIL 27, 1995

THE PRESIDENT HAS SEEN
4.27.95

2/27/95

M/1/1/95

6

Continued on Page D24, Column 1

THE WHITE HOUSE
WASHINGTON

April 27, 1995

Mark W. Erwin
President
Erwin Capital
Suite 2035
200 North College Street
Charlotte, North Carolina 28202

Dear Mark:

Thanks for your letter of April 19 and for your suggestion of a national entrepreneurial board. I appreciate your telling me about your experiences on the North Carolina Entrepreneurial Development Board. I'll think carefully about your idea and have shared your letter with Leon Panetta, Chief of Staff.

See you soon.

Sincerely,

Barack

interesting

cc Panetta:
10
What do you think?

ERWIN CAPITAL

MARK W. ERWIN
PRESIDENT

April 19, 1995

The President
The White House
1600 Pennsylvania Avenue
Washington, D. C. 20500-2000

Dear Mr. President:

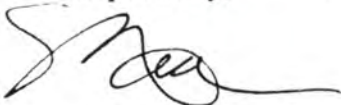
Please allow me to pass on to you an idea which you may find useful. This idea relates to a comment you made in a recent speech where you said your mission was to, "grow the middle class, shrink the underclass and speed up the opportunities for entrepreneurs..." In 1993, Governor Jim Hunt set up the first Entrepreneurial Development Board that we know of in the United States. He asked me to serve on that board, and I have done so since its inception. You will find enclosed a copy of the Executive Order creating the board which includes a description of the mission of the board.

A national entrepreneurial development board created by you could work to make the government and the economy more hospitable to entrepreneurs. The board could suggest new needed regulations and note unnecessary regulations that hinder entrepreneurial growth. It could review the role of different groups in the country responsible for various aspects of capital formation and business growth and development. Our North Carolina board has been very effective in terms of focusing entrepreneurial issues throughout the state.

If this effort is put together on a volunteer basis, it would have negligible costs, but I think could create tremendous good will for you and your administration. There seems to be a strong movement in this country to encourage entrepreneurship in the economy.

With best personal wishes to you and Hillary, I am

Respectfully,



Mark W. Erwin

MWE:saw

Enclosure

State of North Carolina



JAMES B. HUNT, JR.
GOVERNOR

EXECUTIVE ORDER NUMBER 6 ENTREPRENEURIAL DEVELOPMENT BOARD

WHEREAS the State of North Carolina is committed to the development of a vibrant economy for the people of the State; and

WHEREAS business in North Carolina operates in a global economy where information expands at a geometric rate and rapid responses are necessary to remain competitive, particularly in high-technology fields; and

WHEREAS an economic environment which nurtures fledgling and developing companies would serve both these functions; and

WHEREAS there is currently no government organization dedicated exclusively to collaboration and coordination among state and non-state entities in the creation and maintenance of a dynamic entrepreneurial business environment;

NOW THEREFORE, by the authority vested in me as Governor by the Constitution and laws of the State of North Carolina, IT IS ORDERED:

Section 1. ESTABLISHMENT

- A. The Entrepreneurial Development Board ("Board") is hereby established.

- B. The Entrepreneurial Development Advisory Council ("Advisory Council") is also hereby established.

Section 2. MEMBERSHIP

- A. The Board shall be composed of at least 20 members appointed by the Governor to serve at his pleasure. Ideally, a majority of the Board themselves should be entrepreneurs.
- B. The Secretary of Commerce, or his designee, shall serve as a non-voting, ex officio member of the Board.
- C. The Advisory Council may include state and non-state entities concerned with entrepreneurial and small business.

Section 3. CHAIR

The Governor shall appoint a Chair for the Board and the Advisory Council, both of whom shall serve at his pleasure.

Section 4. MEETINGS

- A. The Board shall meet at least quarterly at the call of its Chair.
- B. The Advisory Council shall meet as necessary to effect its purposes at the call of either its Chair or the Board's Chair.

Section 5. DUTIES

- A. The Board shall have the following duties and responsibilities:
1. Make recommendations to the Governor and the General Assembly regarding policy, programs, and

- monies required to nurture entrepreneurial business growth and development throughout North Carolina, including changes in the state tax structure;
2. Work to improve collaboration among the various state, local, federal, private, and non-profit entities involved in entrepreneurial business development;
 3. Examine the need for programs in the areas of export and contract assistance; training and education; funding resources; technological assistance; manufacturing assistance; and development of high-growth, startup, and fledgling entrepreneurial businesses;
 4. Develop a statewide, inclusive entrepreneurial development program;
 5. Study practices for entrepreneurial business development throughout the United States and the world and determine their applicability to North Carolina's economic environment; .
 6. Provide a report to the Governor on January 31st of each year concerning the status of entrepreneurial development in North Carolina;
 7. Plan and conduct an annual Governor's Conference on Entrepreneurial Development;
 8. Review existing state and local small business programs to make recommendations for redirection, enhancement, or elimination; and

9. Undertake such other activities as are necessary to effect the Board's responsibility to foster development of a vibrant entrepreneurial community in North Carolina.

B. The purpose of the Advisory Council is to provide such technical advice to the Board as it requests.

Section 6. ADMINISTRATION

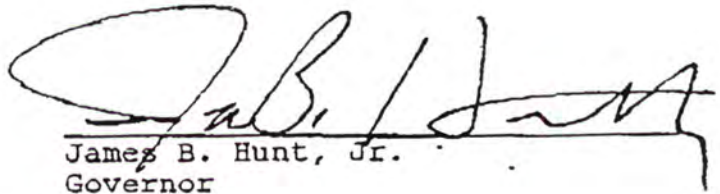
1. The Department of Commerce shall provide staff and administrative support services for the Board.

2. The Board shall work closely with the NC Economic Development Board.

3. Board members shall receive reimbursement for reasonable expenses, as allowed by North Carolina law.

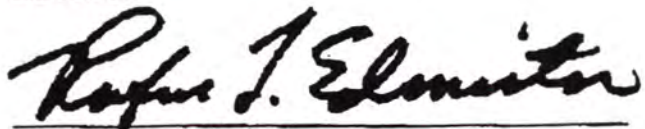
This Order is effective immediately.

Done in the Capitol City of Raleigh, North Carolina, this the 12th day of April, 1993.


James B. Hunt, Jr.
Governor



ATTEST:


Rufus L. Edmisten
Secretary of State

THE WHITE HOUSE
WASHINGTON

April 27, 1995

cc
Eskine
Mr. Simpson
Mr. [unclear]

Charles D. Ravenel
Chairman
Capital South Corporation
Post Office Box 68
Charleston, South Carolina 29402

Dear Pug:

Thanks for your thoughtful note of April 17.
Your analysis of what's going on out there is
always appreciated. We've clearly got a lot of
work to do, but I'm confident that it's moving
our way. Also, your idea for charts is a good
one. Thanks!

See you soon.

Sincerely,

Bill

Thauler - good ideas

CAPITAL SOUTH

Charles D. Ravenel
Chairman

4/17/95

Dear Mr. President,

From out here the drop in the Anti-Clinton vitriol is palpable. The fire is out of the market for that terrible drumbeat that lasted two full years. Now only a whimper.

Now is the fun time and here are some observations:

- 1- Beat the hell out of them - as you are - that they are taking poor children's lunches to pay for tax cuts for \$200,000 a year income families. That is biting and hurting them.
- 2- Your explicit veto threats are Presidential and state out the moral, humane & fiscal high ground. Rather than look to avoid vetos, it makes sense to me to look for the opportunity. "Give 'em Hell, Harry" mode.
- 3- DAmato Amendment on Peco, Americorps Threats, National Forest logging increases, ASSAULT weapons, all great veto opportunities - even when tied to good legislation. The fight is the value here, even more than the victory.
- 4- What about a resurrected "Golden Fleece" award announced by Pico every month on a Republican fiscal outrage?
- 5- I suggest Dodd & Fowler have a monthly paid Ad, small, on two charts A) deficit decline B) Federal civilian Employees shrinkage since you took office. I read the N.Y. Times, Wall Street Journal & local papers and I look for these numbers and can't find them.
- 6- You are going to win in 1996 — Great work —

Chr

THE PRESIDENT HAS SEEN

4 27 95

THE WHITE HOUSE
WASHINGTON

95 APR 11 P3:36

10 April 1995

4/27
To Dooskind
for Reply.
(original letter
attached)

MEMORANDUM TO THE PRESIDENT

FROM: Harold Ickes (H.I.)

SUBJECT: William O. Wagnon's 1 March 1995 letter to me

Mr. President, I thought you'd be interested in Mr. Wagnon's
1 March 1995 letter to me, a copy of which is attached.

W.O. Wagnon
1 March 1995

William O. Wagnon Jr.

1606 Boswell Ave.
Topeka, Kansas 66604

March 1, 1995

Hon. Harold M. Ickes
Deputy Chief of Staff
The White House
1600 Pennsylvania Avenue
Washington, DC 20500

Dear Mr. Ickes,

This past weekend I attended the annual Washington Day banquet for Kansas Democrats in Topeka. For three hours, including a keynote by Clinton's Ag Secretary designate Dan Glickman, those of us present heard again and again outright denial about the present situation and a retreat into past triumphs--most of it highly selective. We heard white man after white man brag about how great they use to be. Not one took any responsibility for the results of the last election, which swept Democrats from the seats in Congress and from most positions of power in Topeka.

Apparently Democrats in Washington are engaged in the same denial and are bereft of any direction. They err in the hope that Newt and his minions are going to self destruct, returning them to their former glory. Apparently they have convinced themselves that the President is to blame for their minority status and are milling around and adding to the cacophony of voices that passes for public discourse these days.

To be sure President Clinton has contributed to the problem. His leadership style is anything but consistent, yet by virtue of his position and his talents, he is the last best hope of Democrats in this century. I have been a fan of the president since he spoke to the Washington Day banquet in Wichita in the middle 1980s and have been impressed with his insights frequently expressed as a presidential candidate and as president. I felt that there was much wisdom in his State of the Union address. But there seems to be little consequences to his speeches and his programs beyond the moment of their utterance.

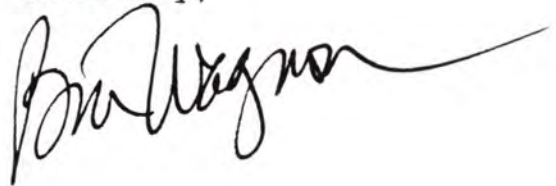
I am absolutely confident that his message of change is correct; that he understands the imperative of restructuring our governing institutions if we are to revitalize our nation; and that his reputation as a come-back kid has to be the inspiration of his presidency for the next election cycle. But he must clarify his message through repetition--such as the idea of the "new covenant"--and worry less about placating his critics than with connecting with his public--so apparent in his community forums.

The American people are well aware that our world is engaged in enormous changes and they look for leaders who can help them navigate the turbulence. For the next 12 months he must remind Americans of how much change has occurred under his leadership since January 1993 and continue to introduce new ideas for reinventing government, such as revising not trashing affirmative action.

X | This past November Kansans reelected a Democrat female state Treasurer and elected a female Democrat as the state insurance Commissioner, a first in over a century. Democrats can win where they have clear ideas of where to lead. My wife, Joan, has recently been elected chairman of the 2nd congressional district Democrats, and her goal is to generate new ideas for gaining voter support over this election cycle as a prelude to recruiting candidates. When one considers that only a third of Americans voted last November, one has to ask how secure is the mandate of Newt and his bomb throwers. The future may be theirs and it will be unless Democrats can reconnect with voters by drawing more people to the polls. Obviously conventional Democrat politics no longer suffices; a new generation of nontraditional leaders must emerge with little investment in the failed practices of the past.

You have a reputation for political savvy and having the ear of the president. As you work out the strategy of the administration for the next election cycle, recognize there is more at stake than Clinton's reelection. He must provide guidance for creating a new generation of spear carriers outside the Washington beltway, if he is to achieve the goals of the "new covenant." His idea about moving neither to the right nor to the left but forward is critical for making that connection.

Sincerely,

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

THE WHITE HOUSE
WASHINGTON

DATE: 04/27/95

NOTE FOR:

HAROLD ICKES
KITTY HIGGINS
JIM DORSKIND

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

Information ☒

Action ☒

Per the President's note --

Kitty Higgins -
'should make sure it's referred to
FEMA &/or OK

Jim Dorskind -
Do thanks.

*original Georgine
llh sent to
Dorskind*

Thank you.

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

cc:

THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS SEEN

4 27 45

95 APR 28 P6:13

April 26, 1995

MEMORANDUM FOR THE PRESIDENT

FROM: Harold Ickes *HI*

SUBJECT: 20 April 1995 letter from Robert A. Georgine

Attached is the original of Bob Georgine's 20 April 1995 letter to you on behalf of the Building and Construction Trades Department of the AFL-CIO.

*Should make
sure it's referred
to F&M or OMA
+ Do Thawley*

BUILDING AND CONSTRUCTION TRADES DEPARTMENT

ROBERT A. GEORGINE
PRESIDENT

April 20, 1995

✓
Dear Mr. President:

* (Please let me know if there is anything at all that the Building and Construction Trades Department nationally, or the Oklahoma City Building and Construction Trades Council, can do to assist in responding to the catastrophe. We can mobilize as many skilled trades construction workers as are needed.

Just have your staff let me know how we can help.

Sincerely,

Bob Georgine

The Honorable William J. Clinton
President of the United States
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

THE PRESIDENT HAS SEEN

4-27-95

THE WHITE HOUSE
WASHINGTON

April 18, 1995

*Send this
to Alvin 1st - our
Cler to call him*
*Crack
McLarty*
[Signature]
[Signature]

The Honorable Jim Guy Tucker
Governor of Arkansas
Little Rock, Arkansas 72201

Dear Jim Guy:

Thanks for writing to me about the production of fuel cells. I'm sorry that I was not able to get back to you sooner.

Our nation will require a variety of energy sources in coming decades, and I'm confident that fuel cells will play an important role. Despite the many competing priorities in our federal budget, we are initiating a program that will lead to the development of a market for the microgeneration fuel cells you described. The funding we have proposed in our fiscal 1996 budget is to be used to support analysis of our research and development needs and to plan the best procedure for introducing this technology.

I value your involvement in this issue. As we develop our plans, I'll keep your ideas in mind.

Sincerely,

Bill



STATE OF ARKANSAS
OFFICE OF THE GOVERNOR

State Capitol
Little Rock 72201

096659

Jim Guy Tucker
Governor

January 18, 1995

The Honorable Bill Clinton
President of the United States
The White House
Washington, DC 20500

Dear Mr. President:

I am writing regarding a proposal by U. S. industry to begin manufacturing one of the world's cleanest and most efficient energy generation technologies -- fuel cells -- here in Arkansas. This proposed development will lead to the creation of several hundred jobs for our state, fuel America's economic growth while protecting our environment, and boost U.S. exports of clean energy technologies. I urge your Administration to support this important and innovative program for Arkansas and the nation.

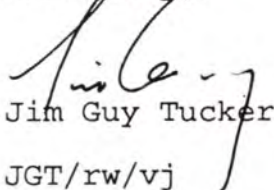
Fuel cells are similar to batteries in that they produce electricity without combustion. However, unlike batteries, fuel cells are provided with a fuel source and can operate continuously. The Dow Chemical Company has proposed to manufacture Proton Exchange Membrane, or PEM, fuel cell power systems in Russellville, Arkansas. These "Clean Power Cells" will help provide electricity and hot water to a wide range of buildings, such as schools, hospitals, hotels, residential complexes, and many others. Dow will manufacture and commercialize 250-kilowatt PEM fuel cells for use as stationary power sources in the U.S. and to provide exports for an expected robust global market. This technology eventually will also help power America's buses, trucks and automobiles, thus dramatically reducing the pollution in our skies and lessening America's reliance on imported sources of energy.

The U.S. Department of Energy and the Department of Defense have done outstanding work in recent years in developing partnerships with private industry to develop and commercialize fuel cell technologies. Dow is seeking a partnership with the Federal Government in this effort in order to accelerate the development of PEM fuel cells, and the State of Arkansas strongly supports the creation of such a partnership. Dow believes that with a relatively small federal investment of \$10-15 million in Fiscal Year 1996, the Federal Government will leverage significant private sector investment and propel this effort forward for Arkansas and for America.

I respectfully ask that your Administration support this funding and help our state and America lead the world in the production of this clean and highly efficient energy technology. I urge that your FY96 Budget include a request for this funding. Please feel free to contact me if you have any questions about this project; your staff may also wish to contact an organization of industry, utility, and environmental groups in Washington called Clean Power Cells that is working to promote this technology. They can be reached at 202-338-2355.

Thank you very much for your consideration of this request. I look forward to seeing you soon.

Sincerely,



Jim Guy Tucker

JGT/rw/vj

Enclosure

cc: The Honorable Hazel O'Leary
The Honorable William Perry
The Honorable Dale Bumpers
The Honorable David Pryor

THE WHITE HOUSE

WASHINGTON

THE PRESIDENT HAS SEEN

4.27.95

April 11, 1995

✓
MR. PRESIDENT:

Attached is a memo from
Secretary Reich complaining
about the Senate rescission
package and a reply from
Alice Rivlin requested by
Leon.


John Podesta

Handwritten notes:
LON
cc to
d4
B.
13.

THE PRESIDENT HAS SEEN
4-27-95

URGENT AND CONFIDENTIAL

MEMORANDUM TO THE PRESIDENT

FROM: RBR *Bry*

DATE: April 7, 1995

RE: Rescission package in the Senate

You should be aware that yesterday's compromise rescission package in the Senate, to which you agreed, cut job training for disadvantaged out-of-school young people by *more* than the House rescission package had cut it. (For 1995, \$598.7 million had been authorized; the House rescission cut it to \$288.7 million; the Senate rescission cut it to \$126.7 million. By contrast, Bush's 1993 budget allocated \$696.7 million to job training for disadvantaged out-of-school youth.) We inherited problems with this program, to be sure, but were making great strides in overcoming them, by focusing youth training on real jobs awaiting young people who successfully completed the training and combining training with counseling.

The Senate rescission also cut Job Corps by *more* than the House had cut. (For 1995, \$1099.5 had been authorized; the House rescission cut it to \$1089.5; the Senate rescission cut it to \$1053.5.) As a result, if this stands, several new Job Corps sites (to which we have committed) will have to be abandoned. The Senate rescission also let stand the House's elimination of summer jobs funding for the summer of 1996.

In fact, as a result of these and other cuts in the Senate rescission, the entire job-training authorization for 1995 is now *below* the Bush authorization for 1993. (See attachments)

If we are going to do additional deficit reduction, why not insist that the money come from "corporate welfare" instead? For example, from the \$3 billion we spend each year to help foreign nations buy U.S. military equipment; or the billions we spend on Agriculture Export Enhancement Program bonuses, almost half of which go to three huge corporations; or the \$1.4 billion a year in sugar price supports, 40 percent of which go to the largest 1 percent of US sugar farms; or the \$110 million spent last year by the Agriculture Department in overseas advertising of such products as Pillsbury muffins and McDonald's Chicken McNuggets; or the \$6 billion (over five years) tax break for mining companies who can deduct certain capital costs instead of depreciating them over their useful lives. I could go on. The list is long. These and other "corporate welfare" items like them surely are far worthier targets than youth training, summer jobs, and Job Corps.

DOL YOUTH FUNDING FY 1993 - FY 1996 WITH PROPOSED FY 1995 RESCISSIONS

[in millions of dollars]

Program	Pre-Clinton FY 1993 Funding*	FY 1994 Funding	FY 1995 Funding	FY 1995 Funding w/ House Rescission	FY 1995 Funding w/ Senate Rescission	President's FY 1996 Request	Difference House/ FY 1993	Difference Senate/ FY 1993
Youth Training	696.7	608.7	598.7	288.7	126.7	289.0	(408.0)	(570.0)
Summer Youth**	858.4	888.3	1,056.3	(682.3)	184.5	958.5	(1,540.7)	(673.9)
Job Corps	966.1	1,040.5	1,099.5	1,089.5	1,053.1	1,227.7	123.4	87.0
Youth Fair Chance	0.0	25.0	24.8	0.0	0.0	49.8	0.0	0.0
School-To-Work (DOL)	0.0	50.0	125.0	112.5	122.5	200.0	112.5	122.5
TOTAL YOUTH	2,521.2	2,612.5	2,904.3	808.4	1,486.8	2,725.0	(1,712.8)	(1,034.4)

* FY 1993 levels do not include supplemental appropriations approved on 7/93.

** House-passed bill includes a \$682.3 million rescission of FY 1994 funds that were intended for the summer of 1995.

ctm: 4/7/95

rescnd95.yth

DOL DISCRETIONARY FUNDING FY 1993 - FY 1996 WITH PROPOSED FY 1995 RESCISSIONS

[in millions of dollars]

Program	Pre-Clinton FY 1993 Funding*	FY 1994 Funding	FY 1995 Funding	FY 1995 Funding w/ House Rescission	FY 1995 Funding w/ Senate Rescission	President's FY 1996 Request***	Difference House/ FY 1993	Difference Senate/ FY 1993
EMPLOYMENT AND TRAINING:								
Youth Training	696.7	608.7	598.7	288.7	126.7	289.0	(408.0)	(570.0)
Summer Youth**	858.4	888.3	1,056.3	(682.3)	184.5	958.5	(1,540.7)	(673.9)
Adult Training	1,045.0	988.0	1,054.8	1,021.8	1,021.8	1,054.8	(23.2)	(23.2)
Job Corps	966.1	1,040.5	1,099.5	1,089.5	1,053.1	1,227.7	123.4	87.0
Youth Fair Chance	0.0	25.0	24.8	0.0	0.0	49.8	0.0	0.0
School-To-Work (DOL)	0.0	50.0	125.0	112.5	122.5	200.0	112.5	122.5
Dislocated Workers	651.2	1,118.0	1,296.0	1,196.7	1,260.4	2,056.0	545.5	609.2
One-Stop	0.0	50.0	120.0	108.0	100.0	200.0	108.0	100.0
Employment Service	894.6	918.3	922.3	915.3	915.3	872.0	20.7	20.7
Older Workers	390.1	410.5	410.5	396.1	396.1	410.5	6.0	6.0
Other E&T	226.3	281.1	250.8	194.9	227.9	273.7	(31.4)	1.6
Subtotal E&T	5,728.4	6,378.4	6,958.7	4,641.2	5,408.3	7,592.0	(1,087.2)	(320.1)
Salaries and Expenses	1,512.0	1,551.0	1,589.0	1,566.9	1,578.9	1,747.2	54.9	66.9
Other Discretionary	2,537.6	2,700.6	2,484.3	2,443.6	2,443.6	2,681.6	(94.0)	(94.0)
TOTAL DISCRETIONARY	9,778.0	10,630.0	11,032.0	8,651.7	9,430.8	12,020.8	(1,126.3)	(347.2)

* FY 1993 levels do not include supplemental appropriations approved on 7/93.

** House-passed bill includes a \$682.3 million rescission of FY 1994 funds that were intended for the summer of 1995.

*** FY 1996 request includes \$760 M increase for adult skill grants, but not transfers with Education Department.

ctm: 4/7/95

rescind7.95

95 APR 10 P 5 : 09

MEMORANDUM TO THE PRESIDENT

From: RBR 
Date: April 10, 1995
Re: The Power of Public Ideas

I wanted to draw your attention to an excerpt from Gingrich's address last Friday generally ignored in the press coverage.

* *"The key is the willingness to change, to set priorities, to redesign the government, to recognize that this is not the '60s or '70s but the 1990s and we need a government to match the times. As I've said, Social Security is off the table. But you know, that leaves a lot on the table: corporate welfare, subsidies of every special interest. Defense is on the table. I'm a hawk, but a cheap hawk."* 



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

95 APR 10 P7:29

THE DIRECTOR

April 10, 1995

MEMORANDUM FOR THE PRESIDENT

FROM: Alice M. Rivlin *AMR*

SUBJECT: DOL Rescissions

The Labor Department's FY 1995 budget was hit very hard in the House rescission action, and Secretary Reich has grounds for concern. However, we won important restorations of House rescissions in the Senate compromise package (which has \$965 million in restorations for Summer Jobs, OSHA, Dislocated Workers, School to Work and other activities), and conference action promises further scope to restore DOL cuts.

DOL analysis is somewhat misleading when it suggests that the Administration has accepted financing for employment and training programs below the Bush budget. A few numbers can help sort this out. Except for the Summer Jobs situation, which won't become clear for 6 months, the Senate's FY 1995 mark represents a modest increase from Bush's 1993 budget, including sizable increases for the Clinton employment and training "investment" programs. For example:

- Job Corps funding was \$966 million in 1993. The FY 1995 post-rescission Senate funding level is \$1,053 million.
- Dislocated worker assistance was financed at \$651 million in 1993. Even after the rescission, FY 1995 funding is \$1,260 million.
- The Clinton School-to-Work Opportunities initiative did not exist in the last Bush budget. The Senate's FY 1995 post-rescission funding is \$123 million, or 145% above 1994. A similar situation applies to the Clinton One-Stop Career Shopping initiative.
- Funding for the Bush 1993 Summer Jobs program was \$683 million. The 1995 Summer Jobs funding is \$867 million (participation would remain unchanged because our budget is financing a more costly, education-intensive Summer program).

In the case of the Summer Jobs program, our Statements of Administration Policy (SAPs) objected to both the House and Senate cuts. We won a major concession in the

Senate, which restored all funds for this coming summer's program. We still need to work with the appropriations committees to finance next summer's program in the FY 1996 funding bills.

On the Job Corps, we agree that Senate action is objectionable, and we said so in our Statement of Administration Policy (SAP). The Senate bill eliminates all Job Corps expansion funds, including funds that would continue work on the eight new centers launched with previous years' appropriations. This issue was internally debated by Senate Democrats, with Sen. Kennedy taking the view that it would be a mistake to open a Senate debate on Job Corps in the context of the Daschle amendment; there were concerns that recent Senate hearings that have focused on scandal and mismanagement in the program were unfair, but nonetheless difficult to rebut. The House bill eliminated only the portion of Job Corps expansion funds for new center starts. As a program with a demonstrated track record, Job Corps has bipartisan support. We think the conferees might be persuaded to adopt the House position.

On the Job Training Partnership Act (JTPA) title II-C grant program for disadvantaged youth, we have great difficulty condemning the House cuts. House action would simply move up by one year the President's FY 1996 request level. While deeper, the Senate cut is based on the Department's own evidence that this program doesn't work. Research on Title II-C suggests that some male participants may have lower earnings, and a higher arrest rate, than nonparticipants! To be sure, Secretary Reich inherited this problem. But more than once, the Secretary has promised to "pull the plug" on programs that don't work. Nevertheless, the major DOL concern is that the Congress may be moving to "block and cut" job training programs. This suggests a need to preserve as much funding as possible for this program in conference, lest financing disappear altogether.

Conclusion

For the most part, the Administration strategy successfully protected high priority employment and training programs. On a program-by-program basis for the priority investment programs and Summer Jobs for this summer, financing is well above the Bush level. Only for the unsuccessful II-C program, which the Administration never considered a high priority, is this not the case.

THE PRESIDENT HAS SEEN
4.27.95

April 21, 1995

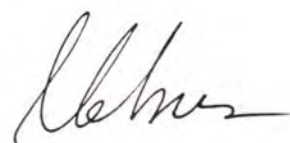
Tony
has a better
up? - when are we? - R

Mr. President -

It was good to see you briefly just now.
When you call the King the things I think
are important, as I told you, are:

- > Make it personal
- > Try to get a specific date
- > Don't mention anything else

On another topic, Hillary and Chelsea came
through Saudi Arabia on their way back from South Asia.
It was good to see them both. The thing that
struck me most was what a poised, engaging
young woman Chelsea has become. She is polite
but has things to say. As the father of daughters,
I hope mine turn out as well when they get to
be her age. Both of you should be very proud
of her -

 
Bill Hillary
MABLE

The Latest EEOC Quota Madness

By JAMES BOVARD

Equal Employment Opportunity Commission chairman Gilbert Casellas last month appointed John Rowe, the director of the EEOC's Chicago district office, as acting general counsel for the agency. An EEOC spokeswoman praised Mr. Rowe for sharing a common vision with Mr. Casellas and cited the Chicago EEOC's frequent pattern-and-practice discrimination lawsuits, as the Daily Labor Report noted. The administration is appointing a commission to study the future of affirmative action. But the Clintonites' evident approval for Mr. Rowe and his Chicago operations says a lot more about their attitude toward quotas than any white paper ever will.

Despite several trouncings of the agency by federal judges, the EEOC office in Chicago continues suing area businesses over almost any procedure that results in an "inappropriate" number of minority employees. It spent seven years suing Consolidated Services Co., a janitorial service owned by Koreans. Federal Judge Richard Posner noted in a 1993 decision: "There is no direct evidence of discrimination. . . . Mr. Hwang relies on word of mouth to obtain employees rather than reaching out to a broader community less heavily Korean. It is the cheapest method of recruitment. . . . Hwang did buy newspaper advertisements on three occasions. . . but these ads resulted in zero hires. . . . The EEOC was unable . . . to find a single person out of the 99 rejected non-Koreans who could show that he or she was interested in a job that Mr. Hwang ever hired for."

'A Bitter Irony'

Judge Posner concluded, "It would be a bitter irony if the federal agency dedicated to enforcing the antidiscrimination laws succeeded in using those laws to kick [immigrants] off the ladder by compelling them to institute costly systems of hiring."

Bruce Spitzer, the lawyer for Consolidated Services, observed that the EEOC demanded that the firm pay \$475,000 in "back pay" primarily to people who never worked for the company as a penalty for its alleged discrimination. The EEOC reached that sum simply by calculating that, since 95% of laborers in Chicago are non-Asians, Consolidated was guilty of discrimination whenever its workforce was more than 5% Korean. The EEOC assumed

that the fact that the company's employees were almost all Korean proved its guilt, according to Mr. Spitzer.

The EEOC spent six years hounding Chicago Miniature Lamp Works because, according to the EEOC's bogus computer model, the company had a shortage of blacks on its payroll. Yet, the company hired a higher percentage of black applicants than white applicants. A federal appeals court concluded in 1991, "It is clear that Miniature was held liable because there were relatively few blacks in its applicant pool as compared to the number of entry-level black workers in Chicago." Yet, the factory was in a Hispanic and Asian part of

The commission is currently trying to fry Chicago-based Koch Poultry Co. for hiring too many Hispanics and not enough blacks.

Chicago, and the judges, in rejecting the EEOC's claims, concluded that relative commuting distance was too important to be ignored.

The EEOC sued Daniel Lamp Co. in 1991 for allegedly discriminating against blacks. The company was in a Hispanic neighborhood in Chicago and relied on Hispanic organizations to refer job-seekers. All of the company's 26 employees were either black or Hispanic. The EEOC ran a computer test, compared Daniel Lamp to much larger employers within a three-mile radius and informed the company that it was guilty of breaking federal law because it did not have 8.45 black employees. The EEOC also based its lawsuit on the complaint of one black woman who applied but was not hired.

The EEOC ordered the company to pay the woman back wages of \$340—and also to advertise to find other blacks who might not have applied for work there and to pay them \$123,000 for back pay for work they never did. EEOC officials publicly asserted that Daniel Lamp had refused to hire any blacks, but "60 Minutes" investigated and found that during the time that the EEOC said Daniel Lamp was discriminating, the company had actually hired 11 black employees. The company eventually settled the EEOC's lawsuit by agreeing to pay \$8,000 a year for three years into a settlement fund.

The commission is currently trying to fry Koch Poultry Co. for hiring too many Hispanics and not enough blacks.

Mark Kaminsky, the Chicago-based chicken company's chief financial officer, recounted the EEOC's demands to Chicago Tribune columnist Mike Royko: "They told us that we were supposed to take out newspaper ads that asked for people who might have applied for a job, or if they were thinking about applying with us, so they might be entitled to a financial settlement. They said they wanted \$5.2 million. They never put that in writing, but the EEOC investigator spelled it out for us. Of course, the entire company isn't worth that much, so we told them no way, we can't afford it."

The EEOC made no attempt to check any of the claims for fraud—some of the people who claimed to have been victims of discrimination were apparently in prison at the time (and thus could not possibly have worked at the company), as federal appeals Judge Daniel Manion noted in October 1994. Yet, as long as they were black, that was enough for the EEOC to classify them as deserving victims.

Judge Manion, dissenting on an appeals court decision that upheld the lower court's ruling, declared: "The facts of this case demonstrate that the EEOC not only neglected its responsibility, it abused its power." Judge Manion noted that the EEOC's "statistical model was more than unscientific, it was completely misleading" and "borders on bad faith." He also noted that at least one person who the EEOC claimed had filed a formal statement alleging discrimination denied ever making such a complaint.

Abusive Prosecution

How ironic that a man like Mr. Grzeszkiewicz, who escaped from a communist government in order to breathe the air of freedom, should have seen practically the entire net worth of his business destroyed by the costs of an abusive federal prosecution. The EEOC is now using the precedent to bring other federal cases against employers around the country.

Deval Patrick, assistant attorney general for civil rights, declared last September that the word "quota" is merely "a derisive and divisive term . . . used to try to discredit civil rights enforcement." Yet, Judge Leinenweber, adopting language almost verbatim from the EEOC brief, ruled in the O&G case that "gross disparities between an employer's applicant flow, hiring or work force and its relevant labor market show the existence of discriminatory employment practices." Thus, a mere shortage of properly pigmented job applicants is enough to turn a business into a criminal enterprise.

Simply because a judge or a bureaucrat does not whisper the word "quota" when he holds his statistical gun to a businessman's head does not change the nature of the government's coercion. The Republican congressional leadership must find the courage to confront, expose and shut down the EEOC's quota machine.

Mr. Bovard writes often on public policy.

THE PRESIDENT HAS SEEN

4 THE WALL STREET JOURNAL THURSDAY, APRIL 27, 1995

Business
Week
Deal
K

96



THE WHITE HOUSE

WASHINGTON

April 27, 1995

95 APR 27 P5:22

MEMORANDUM FOR MIKE MCCURRY

THRU: JOHN PODESTA

FROM: JIM DORSKIND

SUBJECT: PUBLIC SERVICE RECOGNITION WEEK, 1995

Found to be OK
sent 4/27/95

Elaine Kamarck of the National Performance Review wants to release this message to the press, and I have attached copies should you agree. For your information, the observance is May 1 - 7, 1995.

Thank you.

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

Public Service Recognition Week, 1995

Greetings to everyone celebrating Public Service Recognition Week, 1995.

Our nation's government has tremendous potential for good when it works in partnership with citizens to expand opportunity. With the assistance of dedicated public employees, our government has helped to advance civil rights, defend freedom, protect our environment, and uplift the lives of countless Americans. All those who serve the people of the United States can be proud of their contributions to this important legacy.

As our Administration continues its efforts to make government work better and cost less, this week offers Americans a special opportunity to learn more about the importance of public service. Every citizen has a solemn responsibility to understand and become involved in ensuring our country's success. I encourage all of you to discover the many ways in which our government is changing to keep pace with the times. Your participation can help to ensure a brighter future for you and your family and for communities throughout the land.

Best wishes for a most successful week.

WILLIAM J. CLINTON

#

THE WHITE HOUSE

WASHINGTON

Public Service Recognition Week, 1995

Greetings to everyone celebrating Public Service Recognition Week, 1995.

Our nation's government has tremendous potential for good when it works in partnership with citizens to expand opportunity. With the assistance of dedicated public employees, our government has helped to advance civil rights, defend freedom, protect our environment, and uplift the lives of countless Americans. All those who serve the people of the United States can be proud of their contributions to this important legacy.

As our Administration continues its efforts to make government work better and cost less, this week offers Americans a special opportunity to learn more about the importance of public service. Every citizen has a solemn responsibility to understand and become involved in ensuring our country's success. I encourage all of you to discover the many ways in which our government is changing to keep pace with the times. Your participation can help to ensure a brighter future for you and your family and for communities throughout the land.

Best wishes for a most successful week.

Bill Clinton

THE WHITE HOUSE
WASHINGTON

April 27, 1995 APR 27 P3:25

MEMORANDUM FOR JOHN D. PODESTA

FROM: TIM SAUNDERS *TS*
Executive Clerk

SUBJECT: White House Staff Commissions

Shall we prepare White House Staff Commissions for the following:

YOS James Castello
Deputy Counsel to the President

John Yarowsky
Associate Counsel to the President

Please advise.

*check
with
Sherburne*

*on
title*

4-27-95

THE PRESIDENT HAS SEEN
4 27.95
THE WHITE HOUSE
WASHINGTON

April 26, 1995

MEMORANDUM FOR THE PRESIDENT

FROM: JOHN PODESTA
TODD STERN

SUBJECT: Empowerment Zone Initiative

Attached is a memo from Laura Tyson and Carol Rasco on whether to pursue a second round of the Empowerment Zone initiative and, if so, how. In principle, a second round would be desirable for several reasons -- e.g., it would help additional needy communities and demonstrate your commitment to empowering the urban and rural poor. The problem is that (i) it is highly unlikely that legislation for a new round could be passed, especially when we are struggling to protect FY 95 community development funds from rescission; (ii) it would be very hard to identify offsets to pay for the round; and (iii) even if we did identify offsets, the Republican Majority would likely seize on them to fund their own priorities.

In the event you did want to pursue a new round in the FY 96 budget cycle, the memo presents two options. Option A would use existing authority to offer direct grants, avoiding the need for new authorizing legislation, though new appropriations would be needed. Option B would seek new authorizing legislation for tax incentives and flexible grants. These options each have their relative pros and cons, but the larger point is neither would avoid the critical problems identified above. The memo also presents a third option -- waiting until the FY 97 budget cycle. This Option C would avoid the problems of proposing a new FY 96 budget item while fending off FY 95 rescissions (for CD Banks, National Service, etc.) or of finding FY 96 offsets. It would also allow enough time to build a stronger evidentiary record to justify a new round. Still, getting new legislation passed during the FY 97 cycle, an election year, would be a long shot.

Apart from the round-two issue, Laura, Carol and the Vice President will work on helping round-one applicants implement their strategic plans and will seek legislation allowing the Community Empowerment Board to grant waivers for round-one applicants.

Laura and Carol report that a clear majority of your advisors who have worked on the EZ initiative favor Option C, while supporting waiver legislation and help to round-one applicants to implement their strategies. A few advisors, especially from HUD, favor pursuing a second round now, via Option A or B. Leon and George see no viable alternative to Option C.

Option A___ Option B___ Option C___ Discuss___

THE WHITE HOUSE

WASHINGTON

April 14, 1995

MEMORANDUM FOR THE PRESIDENT
THE VICE PRESIDENT

FROM: JACK QUINN
CAROL RASCO
LAURA TYSON

SUBJECT: **Round Two of Empowerment Zones Initiative**

Attached is the options memorandum you requested on a possible second round of the Empowerment Zone initiative. This memorandum, drafted by OMB and HUD in cooperation with our offices, includes for your review three options for pursuing a second round. Drafts of the memorandum have been shared with those NEC-DPC principals integrally involved in the Empowerment Zone initiative and the final version includes the views of OMB, HUD, USDA, Treasury, HHS, Commerce, CEA, the NEC, the DPC, and the Office of the Vice President.

THE WHITE HOUSE

WASHINGTON

April 14, 1995

MEMORANDUM FOR THE PRESIDENT
THE VICE PRESIDENT

FROM: NEC-DPC PRINCIPALS

SUBJECT: Round Two of Empowerment Zones Initiative

Pursuant to your request, this memorandum explores the possibility of pursuing a second round of the Empowerment Zone (EZ) initiative.

I. Background on Current Empowerment Zone Program

More than 500 communities applied for urban and rural EZ and Enterprise Community (EC) designations in 1994. Taken together, these applications represent an extraordinary level of bottom-up neighborhood planning, significant innovation in the coordination and delivery of government services, and thoughtful changes in the relationship between the Federal government and local communities. In December, 1994, New York, Chicago, Detroit, Atlanta, Baltimore, and Philadelphia-Camden were designated as urban EZs and the Kentucky Highlands, Mid-Delta, Mississippi, and Rio Grande Valley, Texas were designated as rural EZs.

As you know, we were unable to designate anywhere near all of the cities that submitted outstanding applications as Empowerment Zones. The large number of outstanding applications motivated Secretary Cisneros to secure \$300 million in Economic Development Initiative (EDI) funding for additional awards. This EDI funding was used to create two Supplemental Zones (Los Angeles and Cleveland) and four Enhanced ECs (Boston, Houston, Kansas City MO-Kansas City KS, and Oakland). Despite our efforts to expand the Empowerment Zones initiative with EDI funds, many worthy cities were not designated EZs and no additional rural areas were designated. Your FY 1996 budget did, however, include a proposal to give the EZ tax incentives to two additional urban communities -- a commitment intended for the two Supplemental Zones.

As Chair of the Community Empowerment Board (CEB), the Vice President has committed to helping all round-one applicants, particularly the 105 EZ/ECs, successfully implement their strategic plans. As part of the National Performance Review, we intend to work with Congress on broad waiver authority that would enable the CEB to grant waiver requests of all EZ/EC applicants -- many such requests we are now forced to decline because of statutory constraints. Last year, we pursued such legislation, which passed in the Senate. Senator Hatfield has introduced broader waiver legislation this year. We will also consider additional reinvention strategies -- such as further consolidation, deregulation, and performance partnerships -- that could have a significant impact for all EZ/EC applicants while requiring no or modest additional budgetary resources.

II. Discussion of EZ Round Two

On March 20, we convened a meeting with the heads of the departments and agencies most involved in the EZ program to discuss a second round of the EZ initiative. In that meeting, almost everyone agreed that there are sound reasons for pursuing a second round. The group also agreed, however, that financing such an effort would be difficult, if not impossible.

A. Advantages of Pursuing Round Two

As you know, there are cogent arguments for pursuing a second round of Empowerment Zones:

- Expanding the program would allow you to help several additional needy communities that worked hard to pull disparate partners together and that were disappointed and disheartened by not being designated an EZ in the first round.
- The unprecedented level of community organizing and strategic planning completed by first round applicants creates great possibilities for more success. The strong positive reports about the EZ application process suggest that the program is working and will have a significant impact in communities that move forward to implement their strategic plans.
- The ability of top applicants to leverage significant private resources (for-profit and non-profit) makes the EZ initiative the most cost-effective community development program now available to you.
- Even if a proposed second round fails to gain passage, seeking it would demonstrate your continuing commitment to empowering poor urban and rural communities. If it passed, it would demonstrate your Administration's ability to work with the Republican Congress to develop innovative ways to address this nation's socio-economic problems.
- It would be wise to have a well-developed proposal for a second round ready in case a significant opportunity for negotiation with Congress arises this year.

B. Disadvantages of Pursuing Round Two

There are, however, downsides to proposing a second round of EZs:

- Chances for passage appear slim, particularly because we are having difficulties resisting efforts to rescind funding for existing (budgeted) community development efforts.
- A second round would be expensive, difficult to pay for, and would benefit only a few places. Because of budget constraints, Congress may pay for a Round II by cutting further other priority investments within the HUD/VA appropriations allocation, such as Community Development Banks and National Service. Through the reinvention strategies discussed above, there may be ways to benefit many more EZ/EC applicants at lower costs.

- Any attempt to amend your current budget proposal would subject it to heightened political scrutiny and criticism.
- The FY 1996 budget does not mention a second round but does mention the proposed expansion intended for the Supplemental Zones. If we now broaden our request to reach additional communities, this could be perceived with disfavor by the Supplemental Zones. And, the four Enhanced ECs have made it clear that they view themselves as first in line for any additional tax incentives.
- Proposing a second round before we have accurate evidence of the results of the first round may not be prudent. In addition, implementing the program for the original Zones and Communities involves a tremendous amount of effort at the Federal level, and a second round could make that process even more difficult.
- Failure to pass such legislation could dishearten the top applicants, who may end up feeling like two-time losers.
- A proposed second round could subject the first round to more scrutiny and invite attempts to repeal the original program.

Perhaps the most difficult issue is the problem of identifying offsets. The options presented below are expected to cost at least \$695 million over five years in budget offsets. Offsets will be hard to find. On the discretionary side, they could come from reducing spending for other HUD programs, or from other departments, which unfortunately are already being hit hard in the rescission process. On the mandatory side, offsets could come from a possible restructuring of the \$3 billion per year Low Income Housing Tax Credit (for potential savings of \$600 million) and/or limiting or eliminating either of the following: the \$900 million/year income exclusion for interest on Industrial Development Bond (IDB) debt; or the \$400 million/year exclusion for pollution and sewerage IDB debt. Each of these proposed offsets is debatable on the merits.

More importantly, we foresee a difficult political problem with identifying any offset to pay for EZ round two. Any offset we identify is likely to be seized upon by Republican Members of Congress to pay for their budget priorities. For example, to pay for deficit reduction, the Administration recently proposed to deny the EITC to persons who receive more than \$2,500 in interest and dividends. The tax committees have used this proposal to help pay for an extension and increase of the health care deduction for the self employed. This experience makes Treasury especially wary of offering up other potential revenue raising items in this legislative environment.

III. Options to Consider

Outlined below are three options for a round two -- if you decide to pursue such an effort. (The advantages and disadvantages discussed below are in addition to those generally discussed in Section II.)

Option A: Use existing authority to offer direct grants

HUD and USDA propose creating six new Empowerment Zones (4 urban and 2 rural) and twenty-five new Enterprise Communities (distribution between urban and rural would have to be determined). No new EZ competition would be held: selections would be made from among the most highly-ranked applicants who did not receive first-round EZ designations. (Each applicant could be asked for a quick update of the information in their application, but not for a new plan.)

Each urban EZ recipient would receive \$25 million in FY 1996 for flexible grants and \$20 million each year for five years to provide the cash equivalent of a Federal tax credit program. For example, localities could use the monies to fund local versions of the employee-based tax credit and other tax credit ideas such as a capital gains rollover or a portable tax credit.

Each rural EZ would receive a total of \$10 million in FY 1996 in flexible grants and \$10 million each year for five years to provide the cash equivalent of federal tax credits.

As in round one, each EC would receive \$3 million in flexible grant assistance.

The total cost over five years would be \$695 million. All funding would be directed to an existing HUD and USDA program, such as the Economic Development Initiative (EDI) program at HUD and an existing, but unfunded, rural development demonstration program included in the 1990 farm bill. We would not request new authorizing legislation.

Advantages:

- No new authorizing legislation required (though appropriations would be required).
- Builds on the EDI supplemental program we developed in the first round, which was garnered with some Republican support.

Disadvantages:

- Current authorized activities under EDI are too narrow to include all desired EZ activities, such as social services.
- Adds complexity; creates a new category of communities with richer benefits than those awarded to the enhanced ECs, who believe they are first in line for additional benefits.
- It is unclear whether the "local-cash-equivalent-of-tax-incentives" would have the impact of federal tax incentives.

Option B: Seek new authorizing legislation for tax incentives and flexible grants.

Select, from the top applicants of the first round, six new Empowerment Zones (4 urban, 2 rural) and twenty-five new Enterprise Communities (distribution between urban and rural to be determined) for the same packages of tax incentives and flexible social service funding offered under the first round, but on a smaller scale. In the alternative, we could propose new federal investment tax credits or capital gains exclusions limited to certain cities, partly as a test of the effectiveness of federal capital tax incentives in revitalizing distressed areas. We could fashion this package of incentives so that the cost is limited to approximately \$700 million over five years, the approximate cost of Option A.

Advantages:

- Capital gains reductions could make this version more attractive to Hill Republicans.

Disadvantages:

- Designing smaller tax benefits for some EZs adds unnecessary complexity to the Tax Code.
- Adds complexity; creates a new category of communities with richer benefits than those awarded the enhanced ECs, who believe they are first in line for additional tax incentives.
- It will be very difficult to fashion tax incentives that are powerful enough to influence behavior while keeping the cost at \$700 million. The cost of 4 new urban and 2 new rural zones that have the same package of benefits as the first round would be about \$1.3 billion over five years.
- Although some Republicans might be interested in a second round that includes tax reductions for capital gains, we did not propose such an incentive in the original EZ legislation because of the inordinate cost, the risk of sheltering activity, and because we preferred the wage credit, which can be tied directly to job creation.

Option C: Wait to include proposal in the FY 1997 Budget

Some agencies, particularly HHS, recommend that you wait until the next budget cycle to offer any proposed second round.

Advantages:

- Avoids problems with finding an appropriate legislative vehicle after the FY 1996 budget has been submitted.
- Builds a stronger case because we will have a year of evidence to justify our request for second round.
- Avoids the problem of proposing a new budget item (EZ Round II) while simultaneously fighting to maintain FY 1995 funding (e.g. for CD Banks, National Service, etc.)
- Provides an election year issue if Congress does not enact the proposal.

Disadvantages:

- Passage of new legislation is highly unlikely in a Presidential election year and measure may be viewed as largely symbolic.

IV. Recommendation

A second round of EZs would build on the success of this "signature" Administration initiative, but it would require Congressional support for additional spending. While the planning process has proven to be successful, it is still too early to have evidence on the success of the December, 1994 designations (first round). Moreover, a second round would reach only a few of the many cities and rural areas that were not designated in December 1994.

All of the choices appear problematic. Because of the difficulty in finding suitable offsets to pay for a second round, as well as other policy and legislative concerns stated above, a clear majority of your advisers recommend pursuing Option C while devoting the Administration's energies this year on passing waiver legislation and helping round-one applicants successfully implement their strategic plans. (We

could begin a process to develop second round options that you would consider for inclusion in your FY 1997 budget.) A few of your advisers, especially those from HUD, however, believe that we should proceed now with a second round in order to capture the momentum and excitement created by Round One. They recommend either Option A or Option B.

V. Decision

- ☐ Option A
- ☐ Option B
- ☐ Option C
- ☐ Discuss Further

THE PRESIDENT HAS SEEN
4.27.95

THE WHITE HOUSE
WASHINGTON

April 26, 1995

MR. PRESIDENT:

The attached Rasco/McGinty memo is a cover for the report prepared by DPC and CEQ on implementing last year's Executive Order on Environmental Justice. The memo briefly describes the report, which discusses interagency efforts to deal with programs or policies that have disproportionately adverse environmental effects on low-income or minority communities.

A lot of the agency effort in the past year was directed at process and outreach -- devising strategies for taking environmental justice into account and reaching out to the community that is active in environmental justice matters. In addition, a number of agencies took some concrete actions. For example, EPA and HUD worked on projects to decrease the lead levels in childrens' blood and to enable the cleanup and redevelopment of urban "brownfields".

The 1994 Executive Order calls for another progress report next year. In an effort to push for more concrete action, Carol and Katie want to call on agencies to report next year on the specific concrete actions they have completed and those that are planned for the following year to benefit low-income and minority communities. **They will move forward on this front unless you have an objection.**

John Podesta
Todd Stern

THE PRESIDENT HAS SEEN
4-27-95

THE WHITE HOUSE
WASHINGTON

95 APR 28 17:04

April 18, 1995

MEMORANDUM FOR THE PRESIDENT

FROM: Carol Rasco *[Signature]*
Katie McGinty *[Signature]*

SUBJECT: Report on Executive Order 12898: "Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations"

Pursuant to Executive Order 12898, "Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations," we are transmitting the attached report describing implementation of the order by federal agencies, along with an appendix presenting each of the agencies' strategies for addressing environmental justice in their programs and policies.

Executive Order 12898, signed on February 11, 1994, directed federal agencies to review their programs and policies and to take a series of steps to make environmental justice part of their mission. Through the leadership of Environmental Protection Agency (EPA) Administrator Carol Browner and the interagency working group established by the Executive Order, ten departments, EPA, the National Aeronautics and Space Agency, and the Nuclear Regulatory Commission have each reviewed their policies and programs for disproportionately high or adverse effects on minority and low-income populations. The attached report summarizes and highlights some of the current interagency efforts to focus federal agency attention on the environment and human health conditions in minority and low-income communities; to promote non-discrimination in federal programs that substantially affect human health and the environment; and, to provide minority communities and low-income communities greater access to information on, and opportunities to participate in, matters relating to the environment.

The interagency working group on environmental justice brought together representatives from each of the involved federal agencies as well as from the Domestic Policy Council, the Council on Environmental Quality, and the Office of Management and Budget. The working group's primary task was to provide guidance to the agencies in developing their environmental justice strategies and initiating interagency projects. The accomplishments of the working group included the following:

- the development of the first computer-accessible compilation of federal government health, environmental, and geographic data available for use by grassroots environmental justice groups, and
- an unprecedented public meeting in Atlanta involving 350 people from around the country, representatives from almost every cabinet-level agency, and an interactive

televised working session on environmental justice hosted by Julian Bond and broadcast by the Black College Satellite Network.

The agency environmental justice strategies reflect the differences among agencies with regard to their missions, programs, and policies. Nonetheless, these efforts correspond to the goals set by the order: discrete initiatives to achieve environmental justice in federal programs; enhancement of existing agency activities through incorporation of environmental justice principles; and improvement in communication with minority and low-income populations.

These efforts have included a number of significant projects to address adverse environmental impacts on minority and low-income populations. For instance, HUD and EPA have worked closely on projects to decrease blood lead levels in children and to enable the cleanup and economic redevelopment of urban "brownfields." HUD, EPA, and DOJ are engaged in a substantial project to address the poverty, poor housing, and inadequate sewage found in the Colonias along the United States-Mexico border. EPA and HHS are engaged in a pilot project to provide a coordinated health and environmental response to communities at four Superfund sites.

There remain significant challenges, however, to sustained implementation and pursuit of the goals of the Executive Order. Agencies are at different stages in implementing the Order, and in some cases there has been more attention to process and outreach than to concrete steps to promote environmental justice. In addition, the current political climate may fuel skepticism among affected communities as to whether attention to these issues will continue.

Looking forward, the Executive Order calls for another report to you following the second year of implementation. We recommend that each agency covered by the Executive Order be required to submit as its report the following:

- a summary of agency success to that point in implementing the Executive Order;
- a limited set of discrete, concrete agency actions that have been completed and that have direct benefits for affected communities; and,
- a limited set of discrete, concrete agency actions that are planned for the subsequent year.

This focused set of requirements for the second report should help sustain and strengthen the agency effort exhibited thus far, while ensuring that this effort will achieve results that will have immediacy and importance in the lives of communities that historically have borne more than their share of environmental hazards. Accordingly, we ask you to approve this further directive to guide the agencies as they enter a second year of success in achieving environmental justice.

APPROVE

DISAPPROVE

DISCUSS

Attachments

REPORT TO THE PRESIDENT ON EXECUTIVE ORDER 12898



*Federal Actions to Address Environmental Justice
in Minority Populations and Low Income Populations*

April 11, 1995

Report to the President on Executive Order 12898

I. INTRODUCTION

The President's Executive Order 12898, "Federal Actions to Address Environmental Justice In Minority Populations and Low Income Populations" ("the Executive Order"), signed February 11, 1994, requires the Assistant to the President for Domestic Policy and the Deputy Assistant to the President for Environmental Policy to submit this report to the President. This report describes the implementation of the Executive Order, and includes the final environmental justice strategies. The attached strategies have a primary emphasis on matters of process, such as increasing outreach to affected communities, and revising internal management and decision making to incorporate environmental justice concerns. The emphasis on process in the effort to date has been valuable because improvements in outreach and the policy making structure will help agencies to more meaningfully dialogue with stakeholders and refocus policies and programs. However, future emphasis must be placed on discrete, concrete actions that will specifically address the needs of particular communities in the near term.

II. BACKGROUND

The environmental justice movement has grown from a group of African American students protesting a garbage dump in Houston in 1967 to a national movement that encompasses thousands of grassroots organizations, the commitment of hundreds of state and local officials, the initiative of business leaders, and, through Executive Order 12898, the force of the federal government. As President Bill Clinton has stated, "All Americans have a right to be protected from pollution--not just those who can afford to live in the cleanest, safest communities."

The environmental justice movement is a response to the reality that historically, low-income populations and minority populations have suffered disproportionately from the effects of pollution and other environmental risks. While scholars disagree about the reasons for this, there is no question that in both rural and urban communities low-income and minority populations consistently demonstrate higher levels of environmentally-related health disorders than the general population. In response, thousands of people in neighborhoods, towns, cities, and counties across the country have formed the environmental justice movement. These individuals work to ensure that city dwellers, disproportionately exposed to air pollution, breathe cleaner air; that children are protected from peeling and exposed lead paint and dust; that the individuals who provide America with our bounty of agricultural products are not slowly poisoned by pesticides; and that those who subsist on native fish and wildlife can continue to do so.

In addition to these grassroots organizers, several States and the National Governors' Association have joined in the environmental justice movement through legislation and other initiatives. Arkansas became the first State, in April 1993, to pass environmental justice legislation. Tennessee, Louisiana, Virginia, and Florida are among the many states that have passed laws, created commissions, or begun studies. These activities have helped to increase the participation of all communities in environmental decisionmaking and ensure that environmental laws are enforced in every community.

Industry leaders have also recognized that addressing environmental justice concerns makes good business sense. Industry increasingly recognizes that future siting plans must involve greater community participation. Both the Chemical Manufacturers Association and the National Association of Manufacturers as well as individual companies such as AT&T, Dow, Dupont, and WMX have initiated environmental justice projects. These groups have worked intensely with the Environmental Protection Agency and community leaders to improve available data and establish lasting channels of communication.

As Governor of Arkansas, President Clinton was among the first state leaders to recognize that some of the most vulnerable of our nation's communities are subject to some of the most serious health and environmental threats. For instance, as Chairman of the Lower Mississippi Delta Commission, then-Governor Clinton recognized that a critical component in addressing the needs of the poorest region of America involved eliminating the disproportionate effects of environmental pollution and hazardous materials on minority, low-income, and rural communities in the region.

Vice-President Al Gore also has been fundamentally committed to the environmental justice movement from its inception. As a Senator, he introduced legislation to identify low-income and minority communities disproportionately affected by toxic materials and to address their unique needs. In addition, Vice-President Gore was instrumental in establishing the National Religious Partnership for the Environment. The Partnership brings together the National Council of Churches, the U.S. Catholic Conference, the Consultation on the Environment and Jewish Life, and the Evangelical Environmental Network. The members of the Partnership integrate the groups' traditional concern for the poor and underprivileged with their concern for the environment.

President Clinton and Vice-President Gore, during the 1992 campaign, pledged to protect "people who are most vulnerable, who are poor, many of whom live in our inner cities, from unfair exposure to environmental hazards." The message of environmental justice was perhaps most poignantly conveyed to the President by a young man named Pernel Brewer, who spoke at a children's town

hall meeting in 1993. Pernell dramatically described the toll pollution has taken on his community, a small section of Louisiana once known as "Cancer Alley." This area, with its many chemical plants, is home to many low-income and minority individuals. After years of pollution, this community has been devastated with an unusually high incidence of cancer and other problems. Pernell told the President that twenty of his relatives have been diagnosed with cancer, and most tragically, that his 10-year-old brother died of a rare brain tumor.

In response to Pernell and many others like him, President Clinton recognized that the federal government has an obligation to address the environmental injustices suffered disproportionately by low-income and minority communities.

III. THE EXECUTIVE ORDER

On February 11, 1994, President Clinton issued Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations. The Executive Order established environmental justice, for the first time, as a federal government priority and directed all federal agencies to make environmental justice part of their mission. The Executive Order had three goals:

- to focus federal agency attention on the environment and human health conditions in minority communities and low-income communities;
- to promote non-discrimination in federal programs that substantially affect human health and the environment; and
- to provide minority communities and low-income communities greater access to information on, and opportunities for public participation in, matters relating to human health and the environment.

President Clinton directed the following agencies and White House offices to participate in the environmental justice initiative: the Departments of Justice, Defense, Energy, Labor, Interior, Transportation, Agriculture, Housing and Urban Development, Commerce, Health and Human Services; the Environmental Protection Agency, the Office of Management and Budget, the Office of Science and Technology Policy, the Council on Environmental Quality, the Domestic Policy Council, and the Council on Economic Advisors. In addition, the Nuclear Regulatory Commission and the National Aeronautics and Space Agency each volunteered to participate. The President directed each federal agency to review its programs, policies, and activities and develop a strategy for addressing as appropriate any disproportionately high and adverse human health or environmental effects on minority populations and low-income populations. The agency strategies accompany this report. Highlights are discussed below.

1. Interagency Coordination

The Executive Order directs the agencies to form an Interagency Working Group (the "Working Group") on environmental justice. President Clinton chose the Administrator of the Environmental Protection Agency, Carol M. Browner, to chair this group. EPA's Office of Environmental Justice has enabled the Working Group to coordinate the diverse activities of the various federal agencies. The Working Group has met approximately monthly since May 1994, and has served as a resource and a clearinghouse for the agencies as they have worked to incorporate environmental justice principles into their programs and activities.

In conjunction with the Working Group, several task forces were assembled to address the specific elements of the Executive Order. Task forces considered research and health issues, public outreach, data, enforcement and compliance, implementation issues, definitions and standards, interagency pilot projects, and Native American issues. Some of the current and anticipated efforts of the task forces include:

- reports on including diverse populations in health studies, involving community members in designing environmental research strategies, protecting those who subsist on fish and wildlife, and addressing environmental justice in the workplace;
- the upcoming release of the first computer-accessible compilation of health, environmental, and geographic data available for use by grassroots environmental justice groups; and
- the issuance of guidance to the agencies on how to develop and implement their environmental justice strategies, how to best form interagency partnerships, and how to consider environmental justice principles in conjunction with the National Environmental Policy Act (NEPA).

The Executive Order directs the Working Group to meet with the public and gather suggestions, questions, and comments on interagency efforts on environmental justice. On January 20, 1995, the Working Group held an unprecedented public meeting on environmental justice issues involving almost every cabinet-level agency. Over 350 people from around the country met at Clark Atlanta University in Atlanta, Georgia, in large forum meetings and one-on-one with agency officials to share their concerns regarding environmental justice and to provide specific suggestions on the agencies' strategies. The evening session was marked by an interactive televised working session on environmental justice hosted by former Georgia State Senator Julian Bond and broadcast by the Black College Satellite Network. The broadcast reached an estimated 40 locations in the United

States and Puerto Rico. Throughout the evening, viewers called in questions on environmental justice to a panel of senior Administration officials. The meeting provided federal agency officials with a clear picture of the nationwide concern and commitment to environmental justice.

2. Environmental Justice Strategies

The Executive Order directs each federal agency to develop a strategy for implementing the principles of environmental justice into the agency's programs, policies, and activities. In developing their strategies, agencies were directed to consider which of their programs or activities might be modified to:

- promote enforcement of all health and environmental statutes in areas with minority populations and low-income populations;
- ensure greater public participation in agency decisionmaking;
- improve research and data collection relating to the health and environment of minority populations and low-income populations; and
- identify differential patterns of consumption of natural resources among minority populations and low-income populations.

Each agency considered these issues in light of its own policies and programs. But the attached strategies reflect common themes: achieving environmental justice in federal programs; enhancing existing agency activities through consideration of environmental justice principles; and improving communication with low-income and minority populations.

i. Achieving Environmental Justice

The Executive Order has been successful in helping agencies to identify current projects and generate new initiatives, often through interagency cooperation and coordination, that address negative environmental health impacts on minority and low-income populations. The Department of Housing and Urban Development (HUD) has initiated a number of projects to address the critical issue of elevated lead levels in children's bloodstreams. While this issue affects children from all income levels and housing types, children from low-income families, and families without easy access to safety information are especially vulnerable. In response, HUD has provided grants to State and local governments to support public education, paint inspections, risk assessments, and lead abatements. One of HUD's most successful initiatives has involved training community members in Hispanic and African American communities particularly affected by lead-based paint in various abatement techniques and lead-based paint hazard reduction. HUD has

worked closely with EPA to coordinate lead-based paint risk assessment and abatement strategies.

EPA and HUD have also worked closely to encourage and enable the cleanup and reuse of urban "brownfields." Brownfields are usually urban areas previously occupied by some type of industry and now contaminated. Cleaning up these sites promotes economic development and abates health hazards in those communities particularly in need and prevents contamination of as yet undeveloped "greenfields." EPA and HUD are currently engaged in a brownfields initiative announced by Administrator Browner in January 1995. This initiative involves 50 pilot projects around the country in which federal resources will speed environmental cleanups and economic development in distressed urban cores. The first such project, in Cleveland, involved a \$100,000 investment by EPA that generated \$1.7 million in cleanup and 100 new jobs.

The Superfund Medical Assistance Plan is another pilot project that exemplifies both the community focus of environmental justice and successful interagency cooperation. The project is a collaboration between EPA and HHS. The project involves four pilot communities where a Superfund hazardous waste site is located. Federal agency officials working with local residents and local health and environmental institutions provide a coordinated response to the community's health-related needs and concerns.

The Department of Transportation has established a "Liveable Communities" project that demonstrates how even agencies whose primary mission is not protection of human health and the environment can adopt environmental justice principles. One Liveable Communities initiative brought Oakland, California residents from the predominantly Spanish-speaking neighborhood of Fruitdale into the process of developing a Bay Area Rapid Transit (BART) station for the neighborhood. The result is that residents will enjoy the development of a new BART station along with a number of needed community services, such as a health clinic and police substation, within easy access of the station.

Recognizing that the federal government can assist in achieving environmental justice as it brings and defends cases, the Department of Justice and EPA are working together to enforce environmental laws in all communities, particularly low-income and minority communities. For example, EPA Region III recently conducted a study of existing and proposed industrial facilities in and around Chester, Pennsylvania and it is in the process of identifying enforcement opportunities. Chester has the highest concentration of industrial facilities in Pennsylvania and also has the highest infant mortality rate, lowest birth rate, and among the highest death rate due to certain malignant tumors. EPA Region III has already issued a number of field citations to underground storage tank owners in and around Chester.

Another major interagency initiative involves the Colonias, impoverished rural areas along the United States-Mexico border, characterized by poor housing, inadequate drainage, and substandard or no water and sewer facilities. HUD, EPA, and DOJ have formed a working group to develop an integrated financial and technical assistance plan for people in these areas. The agencies are working together to develop safe water sources and assist residents in economic development to provide a long-term remedy for these problems.

In one of several agency projects to address the environmental justice needs and concerns of Native Americans, DOD has initiated several demonstration projects to address Native Americans' access to, and maintenance of, traditional cultural properties located on DOD facilities. One project involves DOD working with the Muscogee (Creek) Nation to provide access to traditional Creek properties on approximately 15 military bases in the southeastern United States.

These examples of agency and interagency projects demonstrate the federal government's commitment to carry out the mandate of President Clinton's Executive Order to identify and address disproportionately high and adverse human health or environmental effects of federal government programs, policies, and activities on minority populations and low-income populations. With the twenty-fifth anniversary of Earth Day in April 1995, it is appropriate for the federal government to renew its commitment to environmental justice principles and to consider what the next steps should be in carrying out the mandate of the Executive Order.

ii. Enhancing Existing Activities

The Executive Order has prompted agencies to develop effective internal mechanisms to ensure that environmental concerns are addressed. Many agencies have organized department-wide coordinating committees on environmental justice. These committees have served to educate agency staff on, and to coordinate agency responses to, environmental justice issues. Examples include the Department of Defense (DOD) Committee on Environmental Justice, the Environmental Protection Agency (EPA) Executive Steering Committee for Environmental Justice and the Department of Energy's Steering Committee comprised of four Secretarial Officers. These committees work to ensure that the long-term goals of the agency are consistent with environmental justice.

A number of Cabinet Secretaries have issued directives on environmental justice. For example, Attorney General Janet Reno issued departmental guidance concerning environmental justice and directed departmental personnel to work to protect environmental quality in all communities by providing full and fair enforcement of environmental, civil rights, civil, and criminal laws. Similarly, EPA Administrator Carol Browner has established environmental justice as an agency-wide priority that is to be incorporated into every applicable agency program.

iii. Improving Communication

The Executive Order has caused agencies to reconsider the way they communicate with communities affected by federal programs and to make effective public outreach to all communities an integral part of the way agencies do business. In addition to broad agency participation in the Atlanta meeting described above, each of the agencies has sought public comment specifically on their environmental justice strategies and has also established lasting channels of communication with the environmental justice community. For example, under the authority of the Federal Advisory Committee Act, EPA established the National Environmental Justice Advisory Council (the "NEJAC"). The members of the NEJAC, representing community leaders, academic institutions, environmental justice organizations, state, tribal, and local officials, and business leaders, have provided EPA with invaluable assistance in developing its environmental justice strategy under the Executive Order.

Other agencies have also taken significant steps toward improving communication with low-income and minority populations. For instance, the Transportation Department sponsored a National Conference on Transportation, Social Equity, and Environmental Justice in Chicago on November 17 and 18, 1994. The conference brought together grassroots organizers with members of the Secretary of Transportation's staff and representatives from six other agencies to identify key transportation-related environmental and social issues of concern to individuals from low-income and minority neighborhoods. In February 1994, the Department of Health and Human Services (HHS) held a landmark Symposium on Health Research and Needs to Ensure Environmental Justice. The event drew over 1,000 participants from community groups, academia, and the government and has helped to initiate a continuing partnership between HHS officials and leaders in the environmental justice movement.

III. CONCLUSION AND RECOMMENDED NEXT STEPS

Agencies are currently in the process of implementing the procedures, projects, and initiatives outlined in their respective strategies. Each appears to have developed sufficient internal mechanisms to ensure timely implementation of their strategies and adequate oversight and accountability to ensure that potential failings of the strategies are discovered and addressed.

Nonetheless, there remain significant challenges to sustained implementation and pursuit of the goals of Executive Order 12898. These challenges stem in part from the nature of the agencies' efforts to date. As an initial matter, the strategies presented have a primary emphasis on matters of process, such as increasing

outreach to affected communities and revising the architecture of internal management and decisionmaking to incorporate environmental justice concerns. By contrast, there is less emphasis on discrete, concrete actions that will specifically address the needs of particular communities in the near term. There is also continuing suspicion among affected communities that, in a climate of diminishing agency resources, attention to environmental justice will be among the first casualties of budgetary pressure and agency streamlining. This skepticism is fed by current efforts to curtail or eliminate programs vital to the lives of communities concerned with environmental justice, ranging from school lunch programs to safe drinking water funds.

These challenges must be kept in perspective. The emphasis on process in the effort to date has been valuable because improvements in outreach and the policymaking structure will help agencies be more responsive and accountable. Moreover, a number of agencies have already taken effective, concrete actions to aid communities that have suffered disproportionate exposure to environmental harm. EPA and HHS are to be particularly commended in this regard, as illustrated in the EPA brownfields initiative and accompanying efforts to deliver medical services and collect epidemiological data in communities affected by brownfields sites.

The concern that attention to the issue of environmental justice will diminish underscores the need for a set of performance milestones that are concrete, well-defined, and achievable within nine to twelve months. By its terms, the Executive Order calls for a second report to the President following the second year of implementation. At that time, we recommend that each agency covered by the Executive Order be required to submit as its report the following:

- a summary of the agency's success to that point in implementing the Executive Order;
- a limited set of discrete, concrete agency actions that have been completed and that will have concrete benefits for affected communities; and
- a limited set of discrete, concrete agency actions that are planned for the subsequent year.

This focused requirement for the second report should help sustain and strengthen the agency effort exhibited thus far, while establishing an expectation that this effort will achieve results that will have immediacy and importance to the lives of communities that have had to bear more than their share of environmental hazards. Accordingly, we ask you to approve this further directive to guide the agencies as they enter what should be a second year of success in identifying and addressing issues of environmental justice.

TALKING POINTS FOR CALL TO KIRSTEN MOY

Background

Kirsten Moy is vice president of the Equitable Real Estate and Investment Management Inc. in New York City. You nominated Kirsten to be Administrator of the CDFI Fund in March of 1995. She has been with the Equitable for most of her career except for one year. She is a nationally recognized expert in developing alternative vehicles to enable institutional investors such as pension funds to invest in affordable housing and other types of community related real estate. She has been a member of the Freddie Mac Affordable Housing Advisory Council and served as chairman of the life insurance industry group on socially responsible investing. A Chinese-American, Ms. Moy received a B.S. in Mathematics from the university of Detroit, and a M.S. in Operations Research from the Brooklyn Polytechnic Institute. Both White House and Treasury staff think very highly of Kirsten, and White House legislative affairs has indicated that she has impressed several Senators on the Banking Committee at courtesy call meetings.

Since the House Republicans first proposed rescinding the full FY95 funding for the CDFI Fund, Kirsten has indicated some reluctance about pursuing confirmation for the position of Administrator. Her concerns are focused on three issues:

First, Kirsten doesn't feel that Administration has CDFI as a priority.

Second, that the funding level of \$36 million in the Senate rescission package for FY95 is not sufficient to have an important impact on the CDFI industry.

Three, on a philosophical basis, Kirsten, opposes the whole notion of a rescission as a violation of a public trust — particularly on behalf of communities who have made plans on how to utilize the funds. She argues that if businesses were to do the same thing would be sued for breach of contract.

If Kirsten pulls out now, the CDFI Fund will almost certainly be zeroed out for FY95 and the whole program will be put into jeopardy. Recognizing this, White House and Treasury staff have working to reassure Kirsten of your Administration's commitment to the program. Treasury is trying to set up a meeting with Secretary Rubin and Kirsten in the next two weeks.

Talking Points

During your phone call to Kirsten, we recommend you make the following points:

First, reiterate your strong personal commitment to the CDFI program. You may want to describe how you have been talking about the CDFI program increasingly in recent weeks in your speeches, and that you discussed the program in depth at the Southern Regional Economic Conference in Atlanta on March 29th.

Second, describe to her that part of the difficulty in protecting the CDFI program is that we haven't had an Administrator in place (nor an agency up and running), and that we need her leadership at the CDFI Fund to help us secure full funding in FY96. As soon as the CDFI program starts to make grants, the case for protecting the program will become much stronger.

GOP's No Innocent Victim of the Class War

The Dow Jones News Retrieval database of most major publications turns up 203 references over the past 30 days of Republicans accusing Democrats of playing the class warfare card.

This party line suggests Republicans are worried. "I want something that defangs Democrats' charges that we are the party of the rich," Rep. Henry Hyde (R., Ill.) has candidly noted. The issue is cutting in the polls, and political analyst Kevin Phillips warns that a tilt to the affluent is a "familiar—and usually dangerous—battlefield for the GOP."

Most Republicans angrily insist, however, that, whatever the politics, the De-

income would climb 4.3%, while the middle income family's would rise only 3%.

Moreover, last week Jane Gravelle, the senior economic analyst for the nonpartisan Congressional Research Service, analyzed the difference between the Treasury and the congressional Republican calculations in measuring the House-passed tax bill. She concluded that the Treasury approach is more valid, noting, in typically

ber of wealthy Americans—the heirs to the Campbell Soup and Dart Container fortunes among them—have renounced their citizenship and taken a new legal residence, but still can spend a healthy chunk of time in the U.S. The Democrats proposed these citizen-renouncers pay taxes on any capital gains in excess of \$600,000.

Class warfare was the mildest complaint from the defenders of these economic Benedict Arnolds. It was as bad as the old Soviet Communists exacting exorbitant fees before allowing persecuted Jews to emigrate, it was charged, and Sen. Phil Gramm (R., Texas) claimed this proposal was reminiscent of "Nazi Germany." Nonsense. These Republicans are embracing what journalist Michael Kinsley has appropriately called "victim chic"—an affliction usually associated with the left—in their inability to distinguish between the desire to emigrate to avoid political persecution and to expatriate for reasons of greed. Frankly, there's no justification for these undeserving ingrates who have prospered so handsomely in America. But to pretend, as their hired-gun lobbyists do, that the real problem is confiscatory U.S. tax rates conveniently ignores that the U.S., according to the Organization for Economic Cooperation and Development, has a lower tax burden than most other major economic powers.

But perhaps the most grating reminder of GOP hypocrisy in the class warfare battle occurred during the House deliberations on the welfare bill last month. The current welfare system is a disgrace, and conservative proposals for change deserve a serious hearing. But during this debate some GOP members developed an animal fixation, suggesting, at various times, that welfare mothers or their children were like wolves or alligators or cats.

Any party that countenances that has no credibility complaining about class warfare.

Politics & People

By Albert R. Hunt



mocrats are misrepresenting the GOP budget actions, distorting the tax bill, and shamelessly raising bogus issues like taxing Americans who renounce their citizenship for economic gain. No doubt, genuine class warfare comes naturally to some old-line Democrats; even some who should know better have outrageously drawn parallels between the GOP's actions and Nazism.

But in the rhetorical warfare over the first 100 days, House GOP leaders have taken a back seat to nobody in sleight-of-hand arguments, and have engaged in more than a little class warfare of their own. "The Republicans say it's fine if you take away from the lower-income or middle class, but it's class warfare if anyone tries to take away from those who already have a lot," complains Sen. Bill Bradley, the New Jersey Democrat.

On the spending side, the most publicized decision was to fold the school lunch program into a block grant to the states.

Republicans charge that the Democrats lied by accusing them of cutting this program, when outlays really rise.

That's like saying defense spending rose to \$281.6 billion in fiscal 1994 from \$273.4 billion in fiscal 1986. Yet over those eight years the number of soldiers in the active forces dropped to 1.6 million from 2.2 million, the number of active Army divisions dropped to 12 from 18, and the number of naval ships was cut by 30%.

Does anyone, especially GOP congressional leaders, argue that defense spending rose over those eight years? Of course not. It didn't keep up with higher costs. Similarly, the school lunch program, while nominally given more money, wouldn't keep pace with increases in food costs and student enrollments. That means a cutback in free meals that are given only to children whose family income is less than 130% of the poverty level.

Republicans could claim that with pervasive belt-tightening, some cutbacks in nutritional programs for kids are unavoidable. Or they could argue that the program doesn't work well. But when the Republicans try to con voters by insisting they're really increasing efforts here, the Democrats can't be accused of class warfare by challenging them.

The tax bill arguments are even more disingenuous. The Republicans contend the budget-busting measure is evenhanded, giving as much to middle class taxpayers as to the well-off. Here's how they figure. One family making \$40,000, and paying an 18% effective rate, or \$7,200 in taxes, would get a \$1,000 reduction, or a 14% tax cut. Another family earning \$1 million, and paying a 30% effective rate, or \$300,000, would get a \$30,000 reduction, or a 10% tax cut. The Republicans contend the \$40,000 family is getting a proportionately bigger tax break. But in these examples not only would the millionaires get a 10-fold larger tax cut, but their after-tax

Top Heavy

Which one or two of the following criticisms that Democrats make about the Republicans in Congress concern you the most?

They are siding with business and the wealthy over average people	44%
They are too tough on poor families and children	32%
They are cutting protections for consumers and the environment	17%
They often make extreme proposals	15%

* April 3-4, 1995

THE WALL STREET JOURNAL/NBC NEWS POLL

dry CRS style, that its "methodology is more consistent with how economists would measure the [tax] burden."

Again, the Republicans could make a case that they are rewarding the most productive elements to spur economic growth. That would produce a lot better dialogue than the pretense that this is a populist tax cut. Ironically, while the Republicans are promoting a flat tax with much lower rates and a broader base, this bill, with its special preferences, goes in the opposite direction.

In the clash over class warfare, the most symbolic, if not the most substantive, fight has focused on Democrats' efforts to crack down on Americans who renounce their citizenship for tax purposes. A num-

THE WALL STREET JOURNAL THURSDAY, APRIL 13, 1995

THE PRESIDENT HAS SEEN
4/27/95

Re: 10/5 4/27
Re: own meeting
This is a good statement
and when they ask—
B.

Somerville

Comment

ON THE NATION

Colin Powell: Neither Ike nor Washington

By George F. Will

All presidential candidates today must feel like the person in the nursery rhyme who says:

*Yesterday upon the stair
I saw a man who wasn't there.
He wasn't there again today.
I wish that man would go away.*

Colin Powell is the man who isn't there.

Except he is. He is giving talks that are well-received. His book will be published this autumn. Everything he does fuels speculation about whether he will seek the presidency. He is coy when he says, "I've checked the Constitution very carefully, and you do not have to belong to a political party." Coy—and a bit of a flirt.

Concerning his political ambitions and his party sympathies, the two most frequently asked questions are: If he runs, will he be an African American Eisenhower? Or an African American Perot?

The correct answers may be: Being an Eisenhower is not as easy as Eisenhower made it seem and would be a lot more difficult today than it was then. And being a Perot would be pointless because it would obliterate the central rationale for a Powell candidacy, which is the admirable character he is assumed to have.

Other than Washington and perhaps Jefferson and Grant, Eisenhower was the first person to become President after becoming a figure of world historic importance. He had already dealt with some of the century's largest figures and problems.

Powell conducted from Washington a short war against a nation with a gross domestic product smaller than that of Kentucky. His military career was, of course, much richer than that and was distinguished all the way. But Eisenhower was a potent political force because of what he had done; Powell is, or probably could be, because of what he is. Were he not an African American, there would be no talk of treating the presidency, for the first time since 1952, as an entry-level political job.

That there is so much support for making him President not because of what he wants to do but because of what he represents speaks well of him and the country. No one, perhaps

including him, has the foggiest idea what he would do as President. He would be a manly presence and an affirmation of America as an essentially just meritocracy. Such a presence would be useful, but a presence is not a presidency.

Eisenhower, too, was the embodiment of reassuring values, including decency and bravery. It was said that his grin was a philosophic statement. The slogan, remember, was "I like Ike"—him, not his convictions. He had strong convictions, however, particularly about what he considered dangerous isolationism in the Robert Taft wing of the Republican Party. There is no comparable clarity about whatever it is that might impel Powell into the political arena. And there's the rub. Two rubs, in fact.

First, much more than the early 1950s, this is an ideological moment in America. This is healthy because it involves Americans in reviewing old themes, arguments, documents and principles. Second, politics without clear convictions becomes either mere brokering of interests or a cult of personality—a likely cause or consequence of a presidential candidacy independent of the two major parties.

Such a cult is apt to give rise to, if it does not arise from, intellectual and moral vanity. That is the Perot phenomenon—"Ross for boss" because everything is, as he likes to say, "just that simple." But if solutions are simple, then presumably the only reason we have problems is that everyone other than the boss-in-waiting is either dumb or bad or both.

Powell is too mature, ironic and wise to think like that. But an independent candidacy by him would imply that he feels too good and grand to risk contamination with the parties. Yes, the Constitution, which was written before there were parties, is silent about parties. But a presidency conducted independently of both parties would necessarily become an exercise of watery Caesarism—trust the leader because, well, because he is the leader.

An independent candidacy would announce the candidate's opinion that neither the choices within the parties nor between the parties are significant. That act of intellectual and moral bravado would, in Powell's case, seem colored by race. Absent a rounded ideological presentation of a full political agenda, his candidacy would suggest that America's principal problem is racial, which is not true (what is called the race crisis is a class problem arising from dysfunctional families and destructive behaviors). And it would suggest that he has—or he is—the solution to it, which is unlikely.

So is a Powell candidacy.

George F. Will is a syndicated columnist in Washington.

THE WHITE HOUSE
WASHINGTON

February 1, 1995

Gerald G. Posner
712 Penobscot Building
Detroit, Michigan 48226

Dear Jerry:

Thanks for your thoughtful letter of January 16. I'm glad that you and Eva had a good time at the dinner. It was good to see you both.

I really appreciate your taking the time to share your ideas with me. I will think carefully about your suggestions.

As always, I'm grateful for your advice and your support. Please give my best to Eva.

Sincerely,

Bill

*Great letter -
Please - Keep it
coming*

*CC: HRC
ERSELINE*

POSNER, POSNER AND POSNER

ATTORNEYS AND COUNSELORS AT LAW

712 PENOBSCOT BUILDING

DETROIT, MICHIGAN 48226

(313) 965-7784

January 16, 1995

SAMUEL POSNER
ELIZABETH F. POSNER
GERALD F. POSNER

ROBERT L. FIX

President Bill Clinton
First Lady Hillary Rodham Clinton
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear Mr. President and Mrs. Clinton:

Eva and I cannot begin to thank you enough for your kind invitation for dinner on December 16th. It was thrilling for us to be there, and is an experience which will bring us warm memories for the rest of our lives. We also thank you for the photographs which you sent which turned out so well and which shall serve as a visual reminder of that which will be forever etched in our minds.

I have to tell you that it was certainly the consensus among our crowd that the best and most impressive thing about the evening was not the magnificence of the event or of the surroundings, but was you. We all truly appreciated not only the great amount of time you both spent with us, but how you spent it, not speaking at us or to us, but speaking with us as friends. It became quickly apparent to all of us that despite the power, prestige and responsibilities of your positions, you have remained the down-to-earth, fine people we have been proud to call our friends, and who still consider us their friends. I cannot tell you how much that means to all of us.

As I mentioned to you on the 16th, I happened to be on Fisher Island, getting my parents situated in a condo they rented for the winter, when you came there for the Summit of the Americas dinner at the Vanderbilt mansion on December 10th. I'd have been down there with the group applauding your arrival, but after reading about the 5,000 security personnel providing security for the Summit, and a possible terrorist on the loose, I wrongfully presumed that the Secret Service would be keeping everyone a good distance away. I was also more than a little bit surprised when that magnificent 200 foot yacht, with the white K on a blue pennant, passed by our balcony just 20 feet or so from shore, with residents still walking on the sidewalks at waters edge. What do I know about security? In any event, I was, and still am, deeply disturbed and angered about the complete and total lack of publicity the landmark Summit received in the Detroit

area. There was no advance publicity whatsoever about it and, Eva informed me, no coverage while it was going on or even afterwards, except for one right wing editorial. At least I was able to bring back the excellent Miami papers for my family and friends to read so that they would not remain as ignorant as the Detroit media would have them remain. Unfortunately, this is only one more example of the media problem that so disturbs us all.

I know that you heard that things got a bit "warm" at the briefing that morning, but I think that Bob Raymar put it best to you, Mrs. Clinton, when he said that that everything that was said by the members of our group was said not in anger but with genuine concern and affection. Now we all know that it would be a bit unrealistic to think that you could throw a group of Yale lawyers in a room, ask for input and opinions, and expect the rest of the morning to remain completely calm and low key. The first rule of speaking is "Know your audience". As a group, we were well aware of your great accomplishments and needed no convincing or pep talk. We were all, to a person, frustrated at the lack of publicity and credit you have received, and our greatest concern was not how things had been handled in the past, but how they were going to be handled in the future, and how the concerns of the voters, both our traditional constituencies and those to whom we must reach out and bring back, will be addressed so that we can continue to have America travel in the right direction for our full eight years.

I think what shocked us most -- it did me -- was realizing how completely isolated and insulated even senior administration advisers were from knowing what's going on in the real world, what the real concerns and perceptions of the people are. You could have bowled us over (no pun intended) when Erskine Bowles told us that our comments at the briefing were extremely helpful because "we just don't get any of those comments here". To us, and particularly those of us who have never lived in D.C., that was just plain incredible. We left the briefing a bit disconcerted, but with an unwavering determination to do whatever we can in the future to help. Both Mr. Bowles and Alexis Herman said that they would be glad to have our input and wanted it, and we all hope that they really meant it. Ms. Herman said to channel any future input to you, or to Mr. Bowles, or in general through her office, and, after this letter, I will do so until instructed to do otherwise.

And speaking of not getting that input, I noticed a certain phenomenon right after dinner that night which gave me pause to think. No, I'm not Carnac, nor did it take any great feat of perception, but only observation of the events at the briefing and after dinner. When a few of us were standing around your table, Mr. President, after dinner, talking to you, one of our group (who shall remain nameless), who was

one of the most vocal in his opinions at the briefing, wanted to convey some of those opinions to you, as well as some of the main feelings of the crowd which came out of the briefing. Whether it was out of ultra-deference or ultra-respect, or out of a general feeling of intimidation, or out of some fear that he might offend you with some remark and forever be banished from the ranks of the FOBs and never be invited back as well, I shall never know, but what I do know is that this highly opinionated individual wound up conveying probably not even ten percent of the information which he had thought it so important to impart. If this is how a friend acted and reacted, it made me wonder whether this phenomenon might not occur exponentially when people inside the administration were concerned, including advisers and consultants, all people who depend upon your approval for their jobs, positions and careers, with the result that you don't get the honest input, information, and advice that you need and deserve. Just food for thought.

Being keenly aware of the above phenomenon, and believing that a person isn't being a very good friend if he has information which he feels it is extremely important to impart and then fails to do so, I will continue in the future to be completely honest and forthright in giving any of my input or opinions. That's the only way I can be. If I felt that intimidated (and you have never given me any reason to feel that way), then I would probably figure that you were not going to read what I wrote anyway. I wouldn't bother to write unless I thought that you were going to read it, and I wouldn't expect you to read it if I so watered down my thoughts and opinions that the substance of any information I thought important to convey would be lost. That would be a complete waste of your time as well as my time and would accomplish nothing (unless the sole purpose of my writing was to make a rather pathetic attempt at being a presidential groupie). Hopefully, in the years to come and the campaign to come, some of my input will prove helpful. While I clearly concede my amateur status in being able to get a finger on the pulse of the voters and recognizing their concerns, the professionals have, unfortunately, often missed the mark by a wide margin.

Anything which I may write which does not appear helpful can easily be wadded up and chucked into the circular file with no offense taken. And while I will, of course, always write with the due deference and respect you have earned and deserve, I give you credit for more than enough intelligence to recognize that should any remark perchance not sit completely well with you, it will not have been made with any disrespect intended but only out of a genuine desire to help.

If there was any consensus which came out of the briefing, it can be summarized in two words, "focus" and "lead". It was felt that it would be far better to focus on perhaps

three or four things of great importance to the majority of voters (I would think it even better if those things could be tied into your original campaign to show consistency of thought and principle), and to clearly hammer your position time and time again so that clear leadership is shown and the American people get a clear and defined picture of just what it is that Bill Clinton stands for. I think this is all the more important with the new Republican Congress. With the media sometimes giving the extremely irritating impression that this is now the Gingrich administration, it is all the more important to stand up, project a strong image, and show who is in charge.

While we both know that so many of your legislative successes have hinged on your great ability to effect conciliation and compromise, the media must not be allowed to perversely portray any of this in the future as weakness and giving in. Remember that the American people will forgive anything but weakness. I think that this next year will provide a great opportunity to show strength and leadership. Already the Republicans are backing down from many of the principles and details set forth in their Contract With America, and it appears that some of their proposals are coming closer to those which you originally proposed in your campaign two years ago. Wherever possible, and as often as possible, I think it is crucial to emphasize both that the general idea originated with you and your 1992 campaign and that you are indeed the leader and not the follower. In addition, many of the Republican ideas are so extreme that you will have numerous opportunities to show not obstructionism, but fair-minded toughness -- something the American people love -- in opposing them and proposing fair and workable alternative solutions. While a leader must know how and when to compromise, the true test, and toughest test, of leadership may very well be knowing when to stand firm on principle and fight.

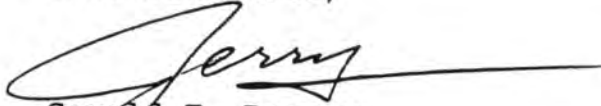
These will not be easy times, but never underestimate the powers of the presidency, or your own powers and abilities. We have great confidence in you, and you should realize that the confidence we have in you and respect we have for you has been well earned and deserved. It is not an abstract respect for the office, but an intelligent and considered respect for the individual occupying the office. Around the table after dinner, you prefaced one remark by saying "If it isn't already too late" It most certainly isn't. You have excellent cause to have faith in your own abilities, and I am glad that you have decided to personally take control of some of the "direction" and campaign-type matters where the so-called professionals have failed. There are certainly many times in life when you must rely upon the person whose intelligence and judgment you trust the most -- yourself. Your own judgment and principles have served you well in the past, and getting back to them is a move in the right direction.

Page 5

And please remember not to hesitate if there is anything that I, or any our group, can do to assist in the years to come.

I thank you again.

Your classmate,

A handwritten signature in dark ink, appearing to read "Jerry", with a long horizontal flourish extending to the right.

Gerald F. Posner

Yale Law School
Class of 1974

THE PRESIDENT HAS SEEN
4.27.95

THE PRESIDENT HAS SEEN

Asia First: A Foreign Policy

By Michael Lind

The United States is approaching the year 2000 with a grand strategy designed for 1950. Although America spends almost as much as the rest of the world on defense, neither party is seriously questioning the continuing need for alliances designed for the cold war.

With the illusion of the "last superpower" long shattered, we have to think about American interests in terms of four other great powers: Japan, China, Russia and Germany. And for the next century, we must concentrate on Asia. It contains most of the world's population and much of its industry, and Japan and China are the only powers with the potential to be formidable rivals.

An "Asia first" foreign policy would entail maintaining an economic and military balance between Japan and China, ending America's military agreement with Japan, increased cooperation with Russia on Asian affairs, forcing open Japan's and China's markets to U.S. goods, and dismantling NATO.

In the very long run, China may be the greatest threat to our interests. A China with only a quarter of America's per capita income would surpass us as the world's largest economy and, perhaps, as the pre-eminent military power. It has already replaced the Soviet Union as the major military supplier for anti-American regimes, and is insisting on great-power hegemony over the South China Sea.

Seeing Japan's success in exploiting the open U.S. market while placing barriers on foreign investment at home, China is building up a huge bilateral trade surplus. Americans who hope that capitalist development will inspire a democratic and peaceable China will almost certainly be disappointed: after all, it took military defeat and occupation to bring democracy to capitalist Germany and Japan.

History warns us, however, against overestimating China's potential — and underestimating that of Japan. Japan's economy is superior to ours in many areas of finance and technology. If it chose to, Japan could become a high-tech military superpower overnight.

Ominously, many Japanese politicians and intellectuals are taking the line that the East Asian model of capitalism — stressing national community and strong government at the expense of individualism — is superior to "decadent" American liberal democracy. "This is a nation of Asian people with Asian blood," Shintaro Ishihara, one of many Japanese politicians arguing for a "re-Asianization" of Japan, has said. Reversing the 19th century slogan "Datsu-ah, ny-o" ("Leave Asia, enter the West"), many Japanese leaders now recite the trendy slogan "Datsu-o, nyu-ah" ("Leave the West, enter Asia").

Those who argue that the U.S. can best restrain Japan by continuing to insure its military security must answer an obvious question: what do we get in return? As the Asian market becomes more important than ours for Japan, our leverage with Tokyo in trade talks will continue to diminish, no matter how many troops we have there. Why should U.S. troops serve indefinitely as the security guards of a latter-day Greater East Asian Co-Prosperty Sphere from which many American products are effectively excluded?

Besides, in the event of American-Chinese conflict, Japan is more likely to act as an opportunistic intermediary than a local ally, if its recent record of undercutting U.S. positions on human rights and arms proliferation in China and North Korea is any indication.

It is too early to tell whether Japan or China will be a greater challenge. The most prudent policy would be for the U.S. to keep its distance from both, weighing in on the side of the weaker whenever one grows overly strong.

In the interim we should remove most of our troops from Japan and replace the U.S.-Japan security treaty with more flexible agreements. Japan should assume responsibility for its own defense, with the two

nations cooperating with others on regional security. (U.S. forces should remain in South Korea, however, until peaceful unification.) Treating Japan as an equal, not a dependent, may also mean pushing for it to be given a permanent seat on the United Nations Security Council and allowing it to develop a nuclear weapons program if it seeks one.

A new realism in our Asian policy would mean rejecting the counsel of those who would continue to appease Japanese mercantilism on the theories that an overvalued yen or a domestic consumer revolt will soon eliminate its trade surplus. Our deficit with Japan is really worse than it appears, because Japanese subsidiaries in other Asian countries are exporting to the U.S. The problem has festered for so long only because many of America's Asian experts and policy-makers are supported by Japanese business interests and U.S. companies with stakes in Asia. (The second largest "soft money" contributor to the Republican party in the first two months of 1995 was the United States Asia Commercial Development Corporation).

The Clinton Administration should follow up its successful tough line in trade talks with China by giving Japan a stark choice between opening its market to the estimated \$50 billion in American imports that is lost every year and our setting up equally restrictive barriers. The Administration should also begin negotiations

Disband NATO, exit Japan, help Russia, beware China.

with the European Union to form a trans-Atlantic common market limited to industrial countries that practice liberal capitalism and two-way trade.

Although our foreign policy should focus on Asia, we of course cannot ignore Europe's great powers, Germany and Russia. Fortunately, neither are strong enough to be world-class threats.

Economists predict that by the year 2020, there will be one German pensioner for every German worker. Countries with low birth rates do not engage in conquest, for lack of cannon fodder. The European Union's inability to set a common policy toward the Balkans, though tragic, should reassure Americans worried about the emergence of a German-dominated superstate.

The Russian Republic combines a population only slightly larger than Japan's with a third world economy, an enfeebled Government, an insubordinate military and chaos on its borders. Eventually, no doubt, some regime, more likely authoritarian than democratic, will forge some degree of order and prosperity. A hostile Russia with nuclear weapons would be a threat — but more like a large Iraq than another Nazi Germany.

Yet it is in America's interest for there to be a moderately strong Russia to act as a military counterweight in Asia to Japan and China. We should continue to support Russia's territorial integrity and give it economic aid.

We cannot expect Russian cooperation in Asia, however, if we antagonize Russia by extending NATO into Eastern Europe. Thus we should replace NATO with a pan-European security organization that includes Russia and the U.S. The Western Europeans as a group, or the Germans independently, would assume separate responsibility for their own defense, permitting the U.S. to pull out most of its troops and end its implausible nuclear guarantee of Europe.

"The commonest error in politics is sticking to the carcasses of dead policies," wrote the Marquess of Salisbury, one of Britain's greatest statesmen, in 1877. "When a mast falls overboard, you do not try to save a rope here and a spar there, in memory of their former utility; you cut away the hamper altogether." The United States-Japan alliance and NATO have been rendered irrelevant by cold war success. The new slogan in Tokyo ought to be adopted in Washington as well: "Leave the West, enter Asia." □

Michael Lind is a senior editor of Harper's Magazine.

Bush
 Clinton
 Japan
 Russia
 NATO
 Asia
 First
 Policy
 4/27/95

THE PRESIDENT HAS SEEN
4127195

THE WHITE HOUSE
WASHINGTON

95 APR 22 P3:58

22 April 1995

MEMORANDUM TO THE PRESIDENT
CC LEON PANETTA
FROM HAROLD ICKES
RE Telephone call from Jesse Jackson

Last night (Friday) Jesse Jackson telephoned me from Boston to say that he very much wanted to speak with you before you speak in Oklahoma City on Sunday. He stressed that this bomb was not aimed at the federal workers, but, in his opinion, was aimed at you, your administration and what you stand for. He wants to discuss an overall thematic response in the context of hate and division in the country in general, and the so-called "angry white male" in particular.

He can be reached today (Saturday) at 617-864-1200. His home in Washington, D.C. is 986-0050.

Keep a good
hell by

→ consumption of school of
thought. Culture
of violence and
hatred

✓
Jesse Jackson

violence -

→ Oklahoma crisis
another opportunity to
show some defusing
leadership.

→ Crisis aimed
at all those who
have convinced
people that govt
is enemy. Stereotyped
"angry white male"
America has
been very good to
white male

→ Can't dignify
'angry white male'
→ logical
conclusion of politically
violent rhetoric

→ directed at
school of thought
→ not valid.
Not justified.

THE PRESIDENT HAS SEEN
4/27/95

GS | ce Hlchu

building when the bomb went up. His luck was that his desk was in the middle of the building. The force of the blast cut to within eight feet from where he sat, doing paperwork.

Almost immediately, black smoke filled the room, though, oddly, he did not recall hearing an explosion. The room filled with dust and Lawton said he immediately wedged himself under a desk.

"If I was 8 feet closer, they'd be spreading my ashes over Linclon Park Golf Course," he said later. "It was just trash coming down, a waterfall of trash, like if a garbage truck had just unloaded on you."

He said ceiling tiles, chunks of fiberglass and wood, heating ducts and other debris landed on the floor around him.

And then, silence.

"I didn't hear a thing, nothing," he said. "It was like a tomb in there."

And then he began hearing noises the sounds of sirens and alarms and what sounded like the pop of bullets. But he heard no human sounds at first, until his desk mate, Ruth Heald, called out.

"Help, I can't see," she yelled out. "Is there anyone out there?"

Lawton said he made his way to her and found her face covered with blood. Together, with the help of his pocket flashlight, they made their way to a stairway, along with another man they encountered on the stairs. They saw no one else as they made their way to safety. And they heard no sound of people anywhere.

Carole Lawton, 62, a secretary, said she was sitting at her desk on the seventh floor when "all of a sudden the windows blew in. It got real dark and the ceiling just started coming down."

She then heard "the roar of the whole building crumbling." Yet she somehow managed somehow to crawl down some stairs and was not injured.

Melissa Kozicki, a spokesman for the American Red Cross, said she heard a story Wednesday morning about how a group of workers were saved because they weren't at their desks.

"A man said the people in his office were not at their desks when they should have been," she said. "It they had been they would have suffered terrible injury."

And yet another man said he believed he was saved because he dove under his desk at the last second.

"I felt a shake and it started to shake more," he said. "I dove under the desk. That's what saved me."

In a matter seconds after the explosion, black smoke billowed from the building and cars in neighboring parking lots were turned into roaring infernoes. Many of the cars were destroyed in seconds, their windows blown out, their roofs looking like a giant boot had stepped on them.

The force of the blast made the building look like one side of it had been hammered with a wrecker's ball, so reminiscent of the car bombings that have rocked places like Beirut, Lebanon, for many years.

(Optional add end)

At the hospital, Verlyn Lawton was treated for minor injuries and made his way home. His wife, Betty took one look at him and silently embraced him.

But at the scene of the explosion, a fireman came out of the wreckage late Wednesday afternoon. He was carrying a body bag containing a small figure.

Slowly, the fireman walked across the street to the First Methodist Church, where a temporary morgue had been set up. There, he unwrapped the bag and the people stood there, looking sadly down at the body of a small child.

As night began falling on the city, the pandemonium of the day was replaced by the quiet of exhaustion. And in the parking lot, a burned out Chevrolet Caprice stood there, its emergency lights still blinking.

Wealthy Minority Businessmen Would Be Hurt by Proposal By Paul Richter= (c) 1995, Los Angeles Times=

WASHINGTON Some wealthy minority businessmen would no longer be eligible for preferential treatment in the awarding of federal contracts and loans under a proposal being considered favorably by Clinton administration officials examining government affirmative action programs, according to knowledgeable sources.

The proposal is being studied by members of the special panel set up by President Clinton to review existing programs and suggest possible changes. Although no final decision has been made, sources said the review panel is close to agreement on recommending the idea to the president.

If accepted by Clinton, these tightened "means test" rules could be the most substantial product of the review, and could help mute the complaints of critics that too often affirmative action helps well-off minorities while excluding disadvantaged white males.

But it could also enrage minority businesspeople and their advocates, who argue such special aid helps spur overall minority employment and strengthen the small minority component of the economy.

Clinton and top aides have given abundant signals that they intend to reaffirm their overall commitment to affirmative action in the review, which was announced two months ago to rethink the administration's position amid a renewed national debate over the 30-year-old concept. The exercise is agonizing for Clinton, because the issue divides the liberal Democratic base from many of the white moderates that Clinton desperately needs for re-election.

But Clinton and aides have also signaled they could modify some of the 160 federal programs to make them seem fairer, and reduce the opportunity they give the GOP opposition to attack affirmative action.

These contract set-aside and loan programs have been a particular target of opponents, who have found them more useful than affirmative action efforts on college admissions, or even hiring, to illustrate what they say is the system's unfairness.

The review has given particular scrutiny to the so-called 8 (a) program, the minority small business set-aside effort, which is a model of federal efforts to reserve contracting business for minorities and women. It is named after section 8 (a) of the Small Business Act.

Since 1969, about \$48 billion in federal contracts have been funneled to concerns that are at least 51 percent owned by people who qualify as "socially or economically disadvantaged." Disadvantaged status applies automatically to most minorities.

Critics have complained that the program is unfair because it often insulates the businesses from competitive bidding, and because most of the beneficiaries are companies not in inner-cities but in suburbs, particularly in the Washington, D.C. area.

But perhaps an even more damaging criticism is that the guidelines permit wealthy minority businesspeople to receive these preferences. Last year, auditors for the Small Business Administration investigated 50 of the minority companies, and found they included 35 people with net worths of more than \$1 million.

The administration thus could propose tightening eligibility rules that now permit participants to have a net worth up to \$250,000, not including either their home equity, business investment, or, in 40 states, their spouse's assets. The rules also allow an applicant to remain eligible for the program, even if his assets rise to \$750,000 during a nine-year participation period.

There are signs that Clinton's congressional allies would look favorably on a tightening of eligibility rules in set-aside and loan programs. When the Ways & Means Committee

considered a proposal from Rep. Jim McDermott, D-Wash., to tighten rules for a program of tax breaks for minority broadcasters in February, all 13 committee Democrats went along.

If Clinton does decide to tighten such eligibility rules, he may find himself in a race with congressional Republicans. Particularly in the Senate, they have indicated a desire to reshape the program.

(Optional add end)

The administration would have to propose legislation to change some aspects of the 8 (a) rules. But other rules could be tightened administratively, said Judy England-Joseph, a General Accounting Office analyst who has studied the program.

While these kind of changes could help the administration stake out a more defensive position in the coming rhetorical battles, some analysts believe their use in persuasion is strictly limited.

"A lot of the widespread fears about the unfairness of the system to whites aren't going to be altered by some minor policy changes," said Margaret Weir, an analyst of federal social programs at Brookings Institution.

Clinton has also said "where possible" he wished to key affirmative action programs to all of America's disadvantaged, rather than just minorities or women. To accomplish this, he could propose changes to further open the contracting and loan programs to disadvantaged whites, even as he screens out some wealthy minorities.

Transfer of Islands to Hawaiian Jurisdiction Proposed By Susan Essoyan= Special to the Los Angeles Times=

HONOLULU A bill before Congress would extend Hawaii's borders more than 2,000 miles across the Pacific, from the renowned battle site of Midway to a lush, coconut-fringed hideaway called Palmyra.

The expanded version of the 50th state also would include Johnston Atoll, home of the world's largest chemical weapons incinerator. And that makes some state officials wary of the offer.

The proposal to transfer several Pacific islands to Hawaii's jurisdiction is part of a plan to abolish the Interior Department's Office of Territorial and International Affairs, a move backed by both the Republican majority in Congress and the Clinton administration. The office is no longer needed, they contend, since most territories, such as Guam, are now self-governing.

Hawaii would gain jurisdiction over seven unincorporated territories still administered by the U.S. government. Along with Midway, Johnston and Palmyra atolls, they are Baker, Jarvis and Howland Islands and submerged Kingman Reef.

The move doesn't add up to much in terms of population or land mass. Only Midway and Johnston are inhabited, with fewer than 2,000 people between them. Altogether, the territories boast just 7 square miles of land. Three miles of sea surrounding each of them also would go to the state.

But while it falls short of the Louisiana Purchase, the novel notion of expanding this oceanic state interests Gov. Ben Cayetano, who would have the right to accept or reject the offer.

"The potential is tremendous," he said recently, pointing to ecotourism, fishing, undersea mining and even a low-security prison as possible options. "We are putting together a fact-finding team to explore the economic opportunities."

But Democratic Reps. Patsy T. Mink and Neil Abercrombie of Hawaii question what liabilities might come along with the new territory, from environmental cleanup to law enforcement.

"I don't see any advantage for Hawaii," Mink said. "We would have to assume a lot of responsibility, financial and otherwise. I have numerous problems with the use of Johnston Atoll."

Precisely what Hawaii would get out of the deal is not clear. Introduced by Rep. Elton Gallegly, R-Calif., the Insular Areas Consolidation Act would transfer jurisdiction but not title. Most of the islands would remain federal property and continue to be managed by the U.S. government.

Legal experts are trying to sort out just what the implications are, before the legislation moves forward. Hawaii could gain some say in activities on or near the islands, and the right to levy taxes. Making the territories formally part of a state might also strengthen U.S. claims to the 200-mile exclusive economic zone around them.

"This legislation makes sense based on history and geography," said Jim Maiella, Gallegly's spokesman. "It is not our intent to transfer financial liability. There's no hidden agenda." Midway and privately owned Palmyra seem to offer the

most potential for Hawaii. Strategically located halfway between Japan and California, roughly 1,150 miles northwest of Honolulu, Midway witnessed the naval battle that turned the tide of World War II, and has long served as a military base and a national wildlife refuge.

The Navy is shutting down its Midway Air Facility and cleaning up the atoll in order to hand it over to the U.S. Fish & Wildlife Service which in turn is soliciting proposals from private operators for ecotourism activities.

The atoll is home to more than a million sea birds, including the world's largest colony of Laysan albatross or gooney birds, and provides critical habitat for the endangered Hawaiian monk seal. Green sea turtles and dolphins frequent its waters.

Palmyra Atoll, the private property of the Fullard-Leo family of Honolulu, has been uninhabited for decades, but also may be on the verge of new life. Honolulu developer Peter Savio has leased Palmyra and plans to clear its overgrown 6,000-foot airstrip over the next several months in order to start commercial fishing operations. He also envisions a "get-away-from-it-all" resort on the atoll, 1,000 miles south of Honolulu.

"It's a little, untouched paradise," he said. "There's a lot of animal life, birds, turtles, coconut crabs."

(Optional add end)

The other territories involved are less inviting. Baker, Jarvis and Howland, coral islands 1,300 to 1,600 miles southwest of Honolulu, are so dry and remote that nothing but sea birds uses them. All three are national wildlife refuges, so fishing is prohibited and access restricted. Even U.S. Fish & Wildlife personnel can afford to charter a boat to visit only every other year.

Johnston, a restricted military base 825 miles from here, has regular air service but is forbidding to would-be travelers. All visitors are handed gas masks complete with a nerve gas antidote and a syringe. In case of an accident at the chemical weapons incinerator, they are expected to jab themselves with the needle and inject the antidote.

"People are either out here on business, or they're not out here at all," said Col. Mario K. Diprimo, commander of the island.

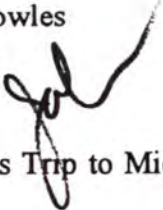
The incinerator is destroying stockpiles of U.S. chemical weapons, including the deadly nerve gas sarin that recently poisoned commuters on a Tokyo subway. The plant has suffered from some equipment and logistics hitches, including three leaks since it opened in 1990. It is supposed to complete its mission in five years, but is running behind schedule.

Mink is reluctant even to consider transferring jurisdiction for the atoll until the plant is shut down and all weapons removed.

THE WHITE HOUSE
WASHINGTON

April 26, 1995

Memorandum for Erskine Bowles

From: John Podesta 
Subject: The President's Trip to Michigan

As you know, the President is scheduled to give the keynote address to graduates at Michigan State University on Friday, May 5. If possible, I would like Jennifer Dudley, from my staff, to go on the trip. Jenny is a 1989 graduate of the political science honors college, James Madison, at Michigan State. Born and raised in Michigan, Jenny worked for both Ambassador Jim Blanchard or Senator Carl Levin from 1986 to 1991. It's always good for the people in the home states to see the political appointees that work for them in the administration.

DEPAUL
UNIVERSITY

THE PRESIDENT HAS SEEN

4 20 95



April 17, 1995

Mr. Erskine Bowles
Assistant to the President
And Deputy Chief of Staff
The White House
1600 Pennsylvania Ave.
Washington, D.C.
20500

95 APR 21

Department of Marketing
1 East Jackson Boulevard
Chicago, Illinois 60604-2287
312/362-8788
FAX: 312/362-5647

Mr. President -
Roy Spence -
Both of you
will approve this - Erskine

~~His name is~~
BC

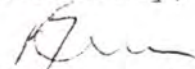
Dear Erskine:

Thank you for the warm note you recently sent me. I have noticed that President Clinton has made a reference to the "American Dream" concept in a few public appearances during the past few weeks. In particular, I took note of the fact that he used it in his Saturday morning address on April 9th. I have a few reactions to his use of it:

1. I think he should make more reference to the fact that he himself has lived the American Dream, and understands how important it is to even have the **hope** of achieving it.
2. I think it would be useful for the President to begin to make more references to specific cases and people who are struggling and actually "have" achieved the American Dream, and showcase them, just as he did in the State of the Union.
3. The President should talk about how his programs have already made it easier for Americans to achieve the Dream, and how programs he is fighting for, and specifically those that go against the Contract, will make it easier to achieve the American Dream.
4. Remember that even the greatest message will not penetrate if the delivery is not convincing. I just didn't think the President's Saturday morning speech on April 9th was delivered with enough emotion. The American people need to feel convinced that the President is fighting a "war" to make the Dream possible for everyone, not just the wealthy.

By the way, I have enclosed a copy of one of the books I wrote which details the specifics on how to implement the market segmentation study I suggested you carry out on the American Dream. Please know that I want to help you in any way you see fit.

Sincerely,


Bruce I. Newman

Thurs
little
stories

THE WHITE HOUSE

WASHINGTON

April 25, 1995, 12:30 P.M.

MEMORANDUM FOR JOHN PODESTA

FROM: G. TIMOTHY SAUNDERS *JS*
Executive Clerk

SUBJECT: **Half-staffing the Flag**

- 1) **Oklahoma City.** John, I do **not** recommend the further half-staffing of the flag for the Oklahoma City tragedy. As you know, the President's proclamation issued on Thursday, 4/20/95, provided that flags fly at half-staff through Monday, 4/24/95 -- a period of 5 days. While other jurisdictions and private citizens and organizations may certainly choose to fly their flags at half-staff for a longer period, based on precedent, the President chose an appropriate period for half-staffing at the Federal level.
- 2) **Former Senator Stennis.** There is no provision in law for the automatic half-staffing of the flag for a **former** U.S. Senator or Representative. However, even if the President decided to especially honor the memory of former Senator Stennis, current White House policy dictates that flags be flown on the day of death and day after for a **sitting** Senator or Representative. As Sen. Stennis died on Sunday, April 23, the flags were already at half-staff during this period. Further, checking at the Capitol revealed **no half-staffing of the flags for former Senator Stennis.** (I did make an informal query to the Press Office, which revealed **no** statement by the President concerning Stennis.)

ERSKINE

John -
Can we do this?

Electrical Workers
58

95 APR 24 P5:04

Thanks -
Willu

Debra Schiff
VIR RECEPTIONIST

I am Charles McDaniel Pres. of I.B.E.W. Local 1658. and on the Board of UPIU/IBEW LABOR TEMPLE. We have 2500 members with our families we are about 20 thousand strong. We are having a workers memorial day rally. MR PRESIDENT CLINTON when Govoner of Arkansas worked so hard for the laborers in our state we can not put in to words what it would mean to have our Proclamation signed by our PRESIDENT. I am faxing copy of proclamation .posting of rally. Debra I COMMEND for your willingness to help we need people like you working at our WHITE HOUSE. GOD BLESS YOU

Charles McDaniel

Charles McDaniel
Pres. IBEW LOCAL
1658

Phone 501-247-3734
Address 1107 MORELAND
Pine BLUFF AR
71602

4/24

John

Sand to Donsk. vol?

yes -
messy
to the

Microna HUGG
Meitake

THE PRESIDENT HAS SEEN 4/24

OTHER POLITICAL NEWS

Colorado Judgeship. The Colorado Bar Association generated more fallout this week from the withdrawal of Judge Maes' nomination to the U.S. District Court. Despite the fact that Maes withdrew his own nomination, the board passed a unanimous resolution deploring Maes' "rejection" by the White House.

Secretary Pena. Demonstrating great cooperation with Political Affairs, Secretary appeared at state party fundraisers this week in Washington and Oregon, and a DNC briefing in San Francisco.

Motor Voter - Pete Wilson unanimously lost his appeal on motor voter and is obligated to implement the law by June.

Alaska Poll. An internal poll taken for Governor Knowles shows that 85% approve of your working with the governor to lift the oil export ban. Your approval rating is 43% with 53% disapproving; Knowles' is 64% approve, 26% disapprove.

Oregon Public Employees Strike. Oregon state employees voted 93-7% to strike for higher pay on May 6. This creates greater turmoil in a state where anti-labor activists have pursued numerous ballot initiatives to reduce public employee pay, benefits, and pensions.

Ethics Suit in Yonkers. Tomorrow, April 22, 1995, the City of Yonkers will sue for ethics violations a key leader and campaign supporter of ours, County Legislator Herman Keith. Keith, who is the most prominent official in the mainly African-American section of Yonkers, has been involved in a development corporation with his wife. The ethics suit will allege that he inappropriately sought state development funds for his corporation.

Rep. Mel Reynolds (D-IL). Indicted Congressman Mel Reynolds, who has \$145,000 in outstanding debts and has been unable to pay his legal fees, received a helping hand from real estate magnate Jerry Reinsdorf, the owner of the Chicago Bulls and White Sox. Reinsdorf, who supported Reynolds in his 1992 bid against Gus Savage, personally guaranteed a \$30,000 loan. According to the *Chicago Tribune*, the money has been used to pay Reynolds' attorney, who has been asking the court to permit him to resign from the case, citing moral and ethical qualms. Although the attorney denies it, the paper reports that Reynolds' inability to pay is the real reason the attorney wants out.

cc:
Vickie
RADO