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PETER A. DeFAZIO

6-16-98

6-16-98

THE PRESIDENT HAS SEEN

6-16-98

Podesta his letter to
Baker

U.S. HOUSE OF REPRESENTATIVES

WASHINGTON, DC 20515

PUBLIC DOCUMENT

OFFICIAL BUSINESS

Need to do reply
probably good to do this
you can oral

Dr

Copied
Podesta
Emanuel
COS

6/16/98

Legislative Affairs
to prepare response?

Yes ☒

No ☐

C.

PETER A. DeFAZIO

4TH DISTRICT, OREGON

RESOURCES COMMITTEE

SUBCOMMITTEE:

WATER AND POWER RESOURCES

TRANSPORTATION AND
INFRASTRUCTURE

SUBCOMMITTEES:

AVIATION

SURFACE TRANSPORTATION



Congress of the United States

House of Representatives

June 12, 1998

PLEASE RESPOND TO:

- ☐ 2134 RAYBURN HOUSE OF. BLDG.
WASHINGTON, DC 20515-3704
(202) 225-6416
- ☒ 151 WEST 7TH AVE. #400
EUGENE, OR 97401-2649
(541) 465-6732
1-800-944-9603
- ☐ P.O. Box 1557
COOS BAY, OR 97420-0333
(541) 269-2609
- ☐ P.O. Box 2460
ROSEBURG, OR 97470-0511
(541) 440-3523
- ☐ Peter.DeFazio@mail.house.gov

The Honorable William Jefferson Clinton
President of the United States
1600 Pennsylvania Ave NW
Washington, DC 20500

THE PRESIDENT JUNE 12 1998
6-16-98

Dear Mr. President:

I am writing with an urgent plea for your assistance in moving forward a new integrated youth facility for the Eugene/Springfield community in light of the recent tragedy at Thurston High School.

The new youth campus is a public/private partnership serving juvenile offenders from Lane County. It will provide a mix of secure custody and residential treatment programs which will enable troubled Lane County juveniles to remain in their community. The project has substantial local support. At a time when most bond measures are being defeated at the polls, the community passed a substantial \$38.345 million general obligation bond for the project in 1995. The U.S. Department of Justice has also supported this project, providing a grant for program planning, architectural assistance and public relations support.

The community has been working on this project since 1990. At this time, the only thing holding it up is a site. The community has identified an existing National Guard Armory as the preferred site for the new youth facility. However, in order to move the project forward, the National Guard needs funding to combine two units and create an Armed Forces Reserve Center and Organizational Maintenance Shop. The estimated cost of a new Guard facility is \$17.345 million.

This project is a priority for the Oregon National Guard and meets the Guard's national priorities based on age and condition of the affected facilities. Nationally, as one of two integrated divisions, Oregon's 41st Enhanced Brigade is one of the country's top 6 high priority organizations. This new facility would house the 41st Brigade whose current facility is antiquated, expensive to maintain and inadequate in administrative, training and storage space.

Mr. President, in light of the recent tragedy at Thurston High School, it's more important than ever to this community to move this project forward. I had hoped that there might be some discretionary authority to accomplish this project. If not, I hope your administration will help advocate for, and work with Congress to advance construction of a new National Guard facility in Eugene.

The problems contributing to the recent school shootings are too complex for simple solutions. But it's clear to me from visiting with families and community leaders that families need more resources for troubled kids. This facility will go a long way toward providing more comprehensive and integrated services to families and youths. This community desperately needs those services and this long planned for facility.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter A. DeFazio", written in a cursive, stylized script.

PETER A. DEFAZIO
Member of Congress

PAD/pld



OREGON MILITARY DEPARTMENT
HEADQUARTERS, OREGON NATIONAL GUARD
1776 MILITIA WAY
P. O. BOX 14350
SALEM, OREGON 97309-5047

12 June 1998

The Honorable Peter DeFazio
United States House of Representatives
Washington, DC 20515

Dear Congressman Defazio:

This letter is in response to your inquiry concerning the status of the Lane County Armed Forces Reserve Center in Eugene. The following information is based on our current understanding of the situation.

The Oregon National Guard did not receive any Milcon funding marks in either the House mark-up or the Senate mark-up for federal fiscal year 1999.

This facility is presently under design. It will be a "Joint" project between the Oregon National Guard and the U.S. Navy Reserve and the U.S. Marine Corps Reserve. Its estimated cost will be \$14,206,000.

This Armed Forces Reserve Center will accommodate the Eugene and Cottage Grove units of the 41 Infantry Brigade (Enhanced) Oregon Army National Guard. Additionally it will house the Navy and the Marine Corps Reserve that have consolidated their assets into Lane County due to force reductions.

As you know, the 41 Brigade of the Oregon National Guard has been previously selected as one of the high priority 15 Enhanced Brigades nation wide. We have just recently been notified that this unit's priority will again increase due to its selection as one of six brigades nation wide to be part of the Army's initiative for two Integrated Divisions. The other states selected were, Arkansas Oklahoma, South Carolina, North Carolina and Georgia. The Division Headquarters will be composed of Active Army soldiers. This selection is very significant for the Oregon National Guard. The priority of the 41 Brigade will increase even higher than it is currently which should drive funding.

Given this high priority, we had hoped that our request for Military Construction funds would place this project high on the Future Year Defense Plan of the Department of Defense. Unfortunately, that has not occurred. We are presently

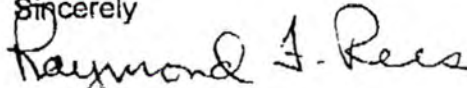
working with the National Guard Bureau to correct what we believe to be a significant error in their prioritization process. However, to date, we have been unsuccessful.

We also are aware of the problem our inability to receive funding over the past two years has caused the Lane County Juvenile Justice program. Clearly our intent was to coincide our departure from the present armory with the construction of the Juvenile Justice campus. This delay will most likely have a significant impact on that program.

Finally, we are hopeful this new designation by the National Guard Bureau of the 41 Infantry Brigade as part of a Integrated Division will place this project on the Future Year Defense Plan in FY 1999. If this occurs and the Congress approves its funding, one could reasonably assume that we could begin construction immediately following action by the Congress and the President in the fall of 1999. The design will be completed far in advance of such action which would allow for an immediate construction award.

If I or my staff can be of further assistance please don't hesitate to contact my office. I can be reached at 503-945-3991.

Sincerely

A handwritten signature in dark ink, appearing to read "Raymond F. Rees". The signature is fluid and cursive, with the first name "Raymond" being more prominent than the last name "Rees".

Raymond F. Rees
Major General
The Adjutant General

CF:
Colonel Mike Caldwell

New Armory Site

Juvenile Justice Center/Youth Campus

Background

Through a public/private partnership, Lane County is developing a youth campus to serve juvenile offenders. Capital construction and site acquisition is financed through a \$39 million general obligation bond measure approved by Lane County voters in May 1995. The campus will provide a mix of secure custody and residential treatment programs that will allow Lane County juveniles who are in trouble to remain in their own community. Local and state facilities are overflowing, and dangerous youths are being released without treatment.

The campus will be developed adjacent to and around the current Skipworth Detention Center and County Department of Youth Services offices, and will thereby encircle the existing National Guard Armory. Acquisition of this facility by Lane County will provide a structure that could be used for a work-training center, and is an important component of the Youth Campus plans.

Request

Use of the current National Guard site for the Juvenile Justice Center is critical within the overall campus design and integral to achievement of current objectives for Lane County juveniles. The Governor has transferred part of the National Guard property to Lane County for youth campus use, and \$1.14 million was approved in the military construction budget for FY 1997 for design work on the National Guard's new facility.

Eugene-Springfield area local governments request that the FY 99 military construction budget include funding necessary for construction of a new Armory facility in the Eugene area. This is estimated to be \$17 million. This facility is the second highest priority for the Oregon Military Department.

We are informed by the Oregon Military Department that a site has been selected for construction of a new Armory, that few land use and zoning issues need to be resolved, and that design work has begun.

Youth Campus Proposal

The youth campus will develop fully over the next 30 years. Prevention, detention, and treatment programs will have the opportunity to share kitchen, cooking, and dining operations; classrooms; recreation; medical services; laundry; and other services. Joint use of facilities and services provides an outstanding opportunity for program and fiscal collaboration. The campus will provide a girls' shelter, boys' shelter, sex offender program, arson program, and a secure girls' treatment center.

Lane County has developed this proposal to respond to many conditions in Oregon, including:

- **Measure 11.** In 1994 the voters of Oregon passed a measure which will result in a large increase of juveniles who will be tried in adult court. These juveniles will receive lengthy fixed sentences, but will serve time in juvenile facilities until they reach the age of 18.
- **Inadequate current facilities.** Residential facilities in Lane County, including Skipworth Detention Center, usually do not meet existing standards for supervision, fire safety, and therapeutic treatment. Most are old and in need of replacement. Looking Glass recently replaced its outdated Stepping Stone Lodge with McKay Lodge and is the first operational private program at the Youth Campus.
- **Harder-to-serve youths.** Youth committing class A felonies have increased by 99% in the last four years. For the protection of the community and their own treatment, these youth require the structure and supervision of residential care. Under-served or unserved populations include: sexual offenders, arsonists, girls, and boys and girls who require a more structured shelter care placement.

Request

Several juvenile justice reform measures are pending before the Congress. Because Oregon has already acted to prosecute some juvenile offenders in adult court, it is important that any legislation enacted be flexible enough to allow Oregon to qualify for funding, equal to other states.

Community Youth Learning Center

A possible use of the Armory is a *Community Youth Learning Center (CYLC)* to provide effective service to enable out-of-school youth to transition successfully to full time educational programs or the work force. Defying national trends, juvenile crime rates have increased in Lane County for several years. Nearly two-thirds of young lawbreakers have either dropped out of school or skip class regularly. Statistics also show that a third of the crimes committed by juveniles in Lane County in 1996 occurred during school hours, between 8 a.m. and 3 p.m. The Community Youth Learning Center would help young offenders escape delinquency and poverty by offering:

- flexible academic programs to help students catch up so they can go back to regular high schools or earn GEDs or adult basic education diplomas;
- work-based learning experiences to teach job skills;
- counseling and anger management and other interpersonal skills;
- secure facilities to ensure student and staff safety; and
- community service projects to develop a sense of responsibility to society.

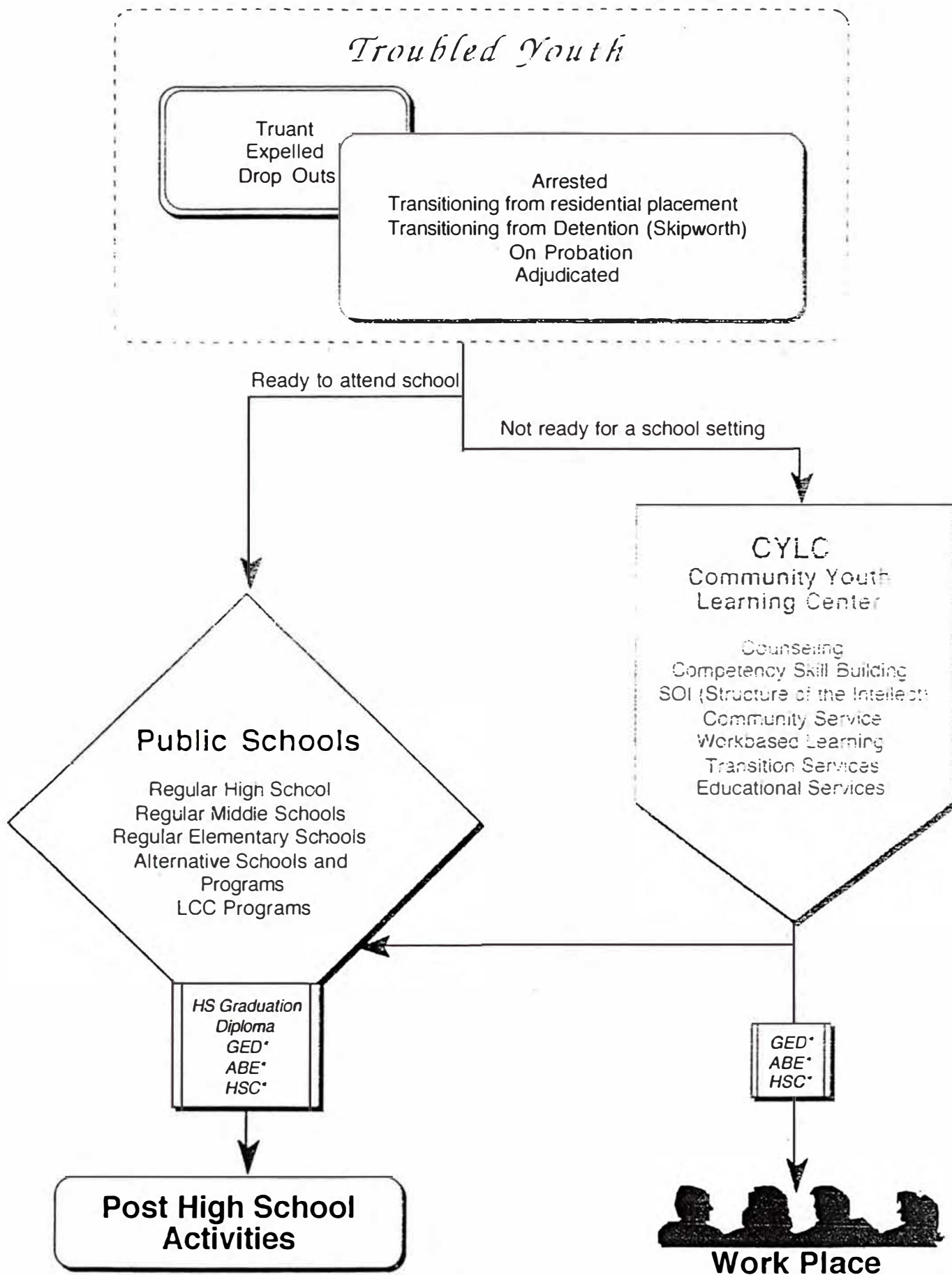
Representatives from the cities, county and state agencies and schools found that the youth associated with each of their problems had a common set of characteristics and that services by various agencies overlapped significantly. The Lane County Department of Youth Services, the Oregon Youth Authority, county school districts, Lane Community College as well as the city governments of Eugene and Springfield worked together to design a multi-dimensional program to address the needs of students who are transitioning from residential placement, treatment, or detention; who have been expelled or are truant; or who have dropped out of school and are at risk for becoming involved in juvenile crime or drugs.

The *Community Youth Learning Center* proposal outlines an education program that combines educational services with youth services and court-required competency, skill-building and community service programs. The project defines key social and study skills needed to help students transition successfully to educational programs or the workplace.

Request

Oregon has already acted to prosecute some juvenile offenders in adult court and has therefore acted consistent with the intent of S 10, the Violent and Repeat Juvenile Offender Act of 1997, now pending before the Senate. It is vitally important that any legislation enacted be flexible enough to allow Oregon to qualify for funding, equal to other states. Such legislation should allow local officials to determine the most appropriate programs to fund, such as the one described above, the Community Youth Learning Center.

Community Youth Learning Center



* GED: General Educational Development

ABE: Adult Basic Education Diploma

HSC: High School Completion

Learning center studied as option

Register-Guard
2/2/93

■ **Youth:** Officials are seeking a solution to the problem of teaching dropouts.

By RANDI BJORNSTAD
The Register-Guard

SPRINGFIELD — Superintendent of Schools Jamon Kent doesn't mince words when plugging the idea to create a school to get delinquent dropouts back on the educational track.

You can't take kids who've been out of school for months or years — and in trouble with the law — “and just stick them back in school and say, ‘Make it,’” Kent says. “These kids have already *not* made it. We have to find a better solution.”

Kent credits Lane County Circuit Judge Ann Aiken, who last week won U.S. Senate confirmation to the federal bench, with initiating the idea for a Community Youth Learning Center.

During her recent two-year tenure as juvenile court judge, Aiken “recognized the reality that kids want to be someplace, and many of them want to be in school,” Kent says. Many haven't been able to function in a traditional school and need better alternatives, he says.

The consequences of truancy and dropping out are more serious now, says Sue McNair Gallup, director of instruction for the Springfield School District and a primary author of the proposal.

“In the 1950s, we actually had higher dropout rates than we do now,” McNair Gallup says. “But back then, people who couldn't function well in the school setting could still go to work on the family farm or in the woods or join the military without a high school diploma.”

The idea took on added urgency last month when the mayors of Springfield and Eugene, in their annual State of the City addresses, cited truancy — and its link to increasing juvenile crime — as a serious problem.

Defying national trends, juvenile crime rates have increased in Lane County for several years. Nearly two-thirds of young lawbreakers have either dropped out of school or skip class regularly. Statistics also show that a third of the crimes committed by juveniles in Lane County in 1996 occurred during school hours, between 8 a.m. and 3 p.m.

Juvenile delinquents often must agree to return to school as part of probation. But if they've failed before, they'll probably fail again, Kent says.

The Lane County Department of Youth Services provides some “life skills” training — such as anger management, responsible decision-making and basic financial skills — but doesn't offer educational services.

“(Youths) either have to go back to regular high schools, into the alternative high school programs or work on their GEDs,” says Jim Leppard, the department's program coordinator. “For a few it works, but many of them aren't prepared for that.”

Among teens on probation for property or violent crimes who met last week for a session at the juvenile department, nearly all have returned to public schools in Eugene and Springfield but don't feel optimistic.

Several said they hate school and go only to keep from being locked up for violating their probation. One said school “doesn't really apply to me” but recognized “that you need that piece of paper to get a job.”

Another said “education is important to us, but our public schools don't help us at all — they don't help you with the skills to get you through life.”

Viviana Sandoval, a 16-year-old mother who got into legal trouble while living with her family in Southern California, went back to school last week after dropping out and attending a teen-parent program at St. Alice Catholic Church in Springfield. She said she's determined to try harder this time so she can make a decent life for her baby son.

“I want to get independent and be on my own now,” she says. “I want things to work out good — I want to do the right thing for my son. I need to have a career so I can provide for him.”

The Community Youth Learning Center, designers say, would offer help for many problems that trap troubled young people in delinquency and poverty, including:

- Flexible academic programs to help students catch up so they can go back to regular high schools or earn GEDs or adult basic education diplomas.
- Work-based learning experiences to teach job skills and academic concepts to help students move into the work force.
- Counseling and development of interpersonal skills.
- Secure facilities to ensure student and staff safety.
- Community service projects to build empathy for others and a sense of responsibility to society.
- Assistance with housing, and personal and educational support as youths move toward adult responsibilities.

Kent, along with a cadre of area educators, juvenile officials and the mayors of Springfield and Eugene, presented the idea last month to a meeting of the Public Safety Coordinating Council.

The council, a 30-member panel of citizens and government and law enforcement officials working to improve public safety in Lane County, raised several questions — primarily financial — about the proposal. They will discuss the concept in greater detail at their next meeting at 3 p.m. Feb. 12 at the Eugene Downtown Athletic Club.

Although running a center would cost as much as \$1.65 million a year, supporters say it ultimately wouldn't be a significant drain. When fully operational, the center would receive the same level of state support — now about \$4,500 per student — as traditional schools, Kent says. Areas with similar programs have seen juvenile crime rates drop, which could save money now spent on law enforcement.

A small-scale pilot program could possibly be jump-started within the next few weeks using grant money available through Lane Community College and the Oregon Youth Authority. Additional funds could be raised through a countywide public-safety levy that's being discussed.



“I want things to work out good — I want to do the right thing for my son.”

VIVIANA SANDOVAL
Center student

Youths zero in on life's values

By RANDI BJORNSTAD
The Register-Guard

Well over a dozen youths — nearly all boys — sit in a circle in an upstairs meeting room at the Lane County Juvenile Department. At first, they slouch in their chairs and stare idly at the floor.

"OK, what's a value?" asks Lisa Sacks, an intern at the Department of Youth Services who counsels kids on probation and helps teach a class on responsible decision-making.

She looks around, hears a few muttered responses, then zeroes in. "What do you think, Justin?" she says, then translates his mumbled answer to the group.

"Right — that's good," Sacks says. "A value is like a belief or a principle."

Sacks gets their attention with a more "hands-on" exercise. She reads them a story about a pair of young lovers who live across a raging river from each other and desperately want to get together. The girl asks a riverboat captain to take her across, and he says he will in return for sexual favors. She declines, then turns to an acquaintance and offers him sex in exchange for a ride.

Once across, she confides to her boyfriend what she has done, and he instantly dumps her. Another friend, indignant on her behalf, assaults the boyfriend. The scene closes with the girl laughing because he has been punished for hurting her.

Now the kids, who range in age from 12 to 18 but cluster in the middle, seem more eager to talk. Sacks asks each to jot down ratings of the people in the story, from "most sleazy" to "least sleazy." She divides them into small groups and asks them to come up with a common rating and explain their reasons.

All of a sudden, these kids — all of whom have been arrested and at least half of whom have served time in the Skipworth Juvenile Detention Center — have to examine their values, a concept some never gave much thought. They come up with widely divergent opinions about who deserves their disgust most.

With probation officer Wally Harms and education program coordinator Jim Leppard looking on, Sacks challenges the youths again. She sends them back to their small groups with a large piece of poster paper and a fat-tipped marker and tells them to develop a list of their own values.

Many have trouble with the assignment. In this, the third session in an eight-week course that meets twice weekly, they quickly remember "friends, family and freedom" — the "3 Fs" their teachers began drumming into them the first day of the class.

Some add expected terms, such as kindness, responsibility, pride, faith, honesty, education. Viviana Sandoval, a 16-year-old girl with an infant son, quickly writes his name — Rafael Anthony — on her group's list in large letters.

But many also call out words — money, fun, TV, video games, cars, hanging out — that reflect a confusion of values the teachers regard as common among youngsters who already know more than they should of instability and lawlessness.

Besides having been on the wrong side of the law themselves, up to a third come from families where at least one parent has a police record, the juvenile officials say. Likewise, many of the parents had their own difficulties in school and don't place a high value on their children's education, they say.



University of Oregon student intern Lisa Sacks helps lead a discussion on values with the group.

When the youths in the class have exhausted their suggestions, Leppard praises their efforts.

"We gave you guys very little information about values to work with, and you came up with words like dignity, trust and relationships — I'm impressed," he says.

"There's nothing wrong with your values — your lists show many of you know what good values are," Leppard tells the group. "What you have to work on is getting your behaviors to line up with your values. That's what we're doing here."

At the end of the 90-minute session, most of the youths rush for the door, like students anywhere.

On the way out, a blond 17-year-old approaches a teacher and shyly offers to share a picture of his 4-month-old baby. After enjoying an admiring response, he also leaves.

"You'll see a big difference between where these kids are today and where they will be a few weeks from now," Leppard says after the room empties. "And to tell the truth, a lot of what they learn, they'll learn from each other."

"Eventually, they figure out that they share a lot of values with (Mahatma) Gandhi and Mother Teresa. Then they have to decide what to do with that knowledge. At that point, it's up to them."

Still, about a third drop out of the classes, Leppard says. Some quit because they dislike anything that smacks of school. Others may violate probation and end up locked up at Skipworth or at one of the state's detention centers.

The classes are designed to teach delinquent kids the skills they need for everyday living — everything from budgeting to anger management to empathy for others.

Most of the kids have washed out of regular schools, probation officer Harms says.

"A lot of these kids are the 'hands-on' learners who don't do well in the traditional, word-based classroom — they're the ones who used to do well in shop and art and vocational classes when schools still had those programs," he says. "They're often the ones on individual education plans, the ones with reading difficulties and attention-deficit disorders."

"They're the ones who are clearly telling us that the traditional school setting doesn't work for everybody. They're proof that we need to provide better alternatives so that more kids can stay in school and out of trouble."

Register-Guard

PETER A. DEFazio
4TH DISTRICT, OREGON
RESOURCES COMMITTEE
SUBCOMMITTEE:
WATER AND POWER RESOURCES
TRANSPORTATION AND
INFRASTRUCTURE
SUBCOMMITTEES:
AVIATION
SURFACE TRANSPORTATION



Congress of the United States
House of Representatives

May 11, 1998

- PLEASE RESPOND TO:
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WASHINGTON, DC 20515-3704
(202) 225-6416
 - ☐ 151 WEST 7TH AVE. #400
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 - ☐ P.O. Box 2480
ROSEBURG, OR 97470-0511
(541) 440-3523
 - ☐ Peter.DeFazio@mail.house.gov

The Honorable Bill Hefner
Ranking Democrat
House Appropriations Subcommittee on Military Construction
1016 Longworth House Office Bldg.
Washington, D.C. 20515

Dear Congressman Hefner:

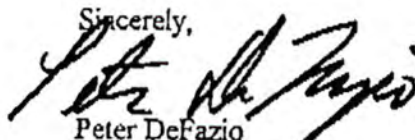
I am writing to request your support for an important National Guard relocation project in Lane County, Oregon, in my congressional district, known as the Eugene Armed Forces Reserve Center and Organizational Maintenance Shop.

The Oregon National Guard has ranked this project as a priority for the state at a construction cost of \$17.345 million. In the FY 1997 Military Construction Appropriations legislation for FY 97, this project was funded for site and design work at a cost of \$1.144 million. That work is underway and will be substantially complete by the end of the current fiscal year.

The Eugene Armed Forces Reserve Center and Organizational Maintenance Shop will replace two Oregon Army National Guard armories: Cottage Grove, constructed in 1931, and Eugene, constructed in 1973, both of which have become antiquated, expensive to maintain and inadequate in administrative, training and storage space. In addition, it will replace a Naval Reserve/Marine Corps Reserve facility in Eugene which is presently considered undersized by Naval Reserve/Marine Corps standards. The space situation will be compounded in December 1998 when the Naval Reserve/Marine Corps facility in Salem, Oregon will close and Naval Reserve units assigned to Salem will be co-located in Eugene. Consolidating these facilities will save the federal government construction dollars as well as operation and maintenance funds. The new facility will house four Oregon Army National Guard organizations, totaling 450 soldiers; thirteen U.S. Naval Reserve organizations, comprising 202 seamen; and one U.S. Marine Corps Reserve organization consisting of 157 Marines.

I appreciate your consideration of this request. If you have any questions, please contact me or Kathie Eastman of my staff at (202) 225-6416.

Sincerely,


Peter DeFazio
Member of Congress

PRESIDENT'S OFFICE



Return

*Need to do reply
personally good to do this
you can do it*

Copied
Podesta
Emanuel
COS

Dan Burkhardt:
Please coordinate
the reply.

U.S. HOUSE OF REPRESENTATIVES

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- 151 WEST 7TH AVE. #400
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541-465-6732
1-800-944-2602
- P.O. Box 1557
COLUMBIA, SC 29202-1557
803-733-1200
- P.O. Box 2460
ROSELAND, NJ 07068-0246
908-382-3523
- Peter DeFazio@mail.house.gov

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PETER A. DeFAZIO

4TH DISTRICT, OREGON

RESOURCES COMMITTEE

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June 12, 1998

The Honorable William Jefferson Clinton
President of the United States
1600 Pennsylvania Ave NW
Washington, DC 20500

6-16-98

Dear Mr. President:

I am writing with an urgent plea for your assistance in moving forward a new integrated youth facility for the Eugene/Springfield community in light of the recent tragedy at Thurston High School.

The new youth campus is a public/private partnership serving juvenile offenders from Lane County. It will provide a mix of secure custody and residential treatment programs which will enable troubled Lane County juveniles to remain in their community. The project has substantial local support. At a time when most bond measures are being defeated at the polls, the community passed a substantial \$38.345 million general obligation bond for the project in 1995. The U.S. Department of Justice has also supported this project, providing a grant for program planning, architectural assistance and public relations support.

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Sincerely,

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PETER A. DEFAZIO
Member of Congress

PAD/pld



OREGON MILITARY DEPARTMENT
HEADQUARTERS, OREGON NATIONAL GUARD
1776 MILITIA WAY
P. O. BOX 14350
SALEM, OREGON 97309-5047

12 June 1998

The Honorable Peter DeFazio
United States House of Representatives
Washington, DC 20515

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This facility is presently under design. It will be a "Joint" project between the Oregon National Guard and the U.S. Navy Reserve and the U.S. Marine Corps Reserve. Its estimated cost will be \$14,206,000.

This Armed Forces Reserve Center will accommodate the Eugene and Cottage Grove units of the 41 Infantry Brigade (Enhanced) Oregon Army National Guard. Additionally it will house the Navy and the Marine Corps Reserve that have consolidated their assets into Lane County due to force reductions.

As you know, the 41 Brigade of the Oregon National Guard has been previously selected as one of the high priority 15 Enhanced Brigades nation wide. We have just recently been notified that this unit's priority will again increase due to its selection as one of six brigades nation wide to be part of the Army's initiative for two Integrated Divisions. The other states selected were, Arkansas Oklahoma, South Carolina, North Carolina and Georgia. The Division Headquarters will be composed of Active Army soldiers. This selection is very significant for the Oregon National Guard. The priority of the 41 Brigade will increase even higher than it is currently which should drive funding.

Given this high priority, we had hoped that our request for Military Construction funds would place this project high on the Future Year Defense Plan of the Department of Defense. Unfortunately, that has not occurred. We are presently

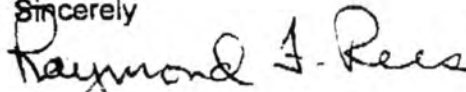
working with the National Guard Bureau to correct what we believe to be a significant error in their prioritization process. However, to date, we have been unsuccessful.

We also are aware of the problem our inability to receive funding over the past two years has caused the Lane County Juvenile Justice program. Clearly our intent was to coincide our departure from the present armory with the construction of the Juvenile Justice campus. This delay will most likely have a significant impact on that program.

Finally, we are hopeful this new designation by the National Guard Bureau of the 41 Infantry Brigade as part of a Integrated Division will place this project on the Future Year Defense Plan in FY 1999. If this occurs and the Congress approves its funding, one could reasonably assume that we could begin construction immediately following action by the Congress and the President in the fall of 1999. The design will be completed far in advance of such action which would allow for an immediate construction award.

If I or my staff can be of further assistance please don't hesitate to contact my office. I can be reached at 503-945-3991.

Sincerely

A handwritten signature in dark ink, appearing to read "Raymond F. Rees". The signature is fluid and cursive, with the first name "Raymond" being more prominent than the last name "Rees".

Raymond F. Rees
Major General
The Adjutant General

CF:
Colonel Mike Caldwell

New Armory Site

Juvenile Justice Center/Youth Campus

Background

Through a public/private partnership, Lane County is developing a youth campus to serve juvenile offenders. Capital construction and site acquisition is financed through a \$39 million general obligation bond measure approved by Lane County voters in May 1995. The campus will provide a mix of secure custody and residential treatment programs that will allow Lane County juveniles who are in trouble to remain in their own community. Local and state facilities are overflowing, and dangerous youths are being released without treatment.

The campus will be developed adjacent to and around the current Skipworth Detention Center and County Department of Youth Services offices, and will thereby encircle the existing National Guard Armory. Acquisition of this facility by Lane County will provide a structure that could be used for a work-training center, and is an important component of the Youth Campus plans.

Request

Use of the current National Guard site for the Juvenile Justice Center is critical within the overall campus design and integral to achievement of current objectives for Lane County juveniles. The Governor has transferred part of the National Guard property to Lane County for youth campus use, and \$1.14 million was approved in the military construction budget for FY 1997 for design work on the National Guard's new facility.

Eugene-Springfield area local governments request that the FY 99 military construction budget include funding necessary for construction of a new Armory facility in the Eugene area. This is estimated to be \$17 million. This facility is the second highest priority for the Oregon Military Department.

We are informed by the Oregon Military Department that a site has been selected for construction of a new Armory, that few land use and zoning issues need to be resolved, and that design work has begun.

Youth Campus Proposal

The youth campus will develop fully over the next 30 years. Prevention, detention, and treatment programs will have the opportunity to share kitchen, cooking, and dining operations; classrooms; recreation; medical services; laundry; and other services. Joint use of facilities and services provides an outstanding opportunity for program and fiscal collaboration. The campus will provide a girls' shelter, boys' shelter, sex offender program, arson program, and a secure girls' treatment center.

Lane County has developed this proposal to respond to many conditions in Oregon, including:

- **Measure 11.** In 1994 the voters of Oregon passed a measure which will result in a large increase of juveniles who will be tried in adult court. These juveniles will receive lengthy fixed sentences, but will serve time in juvenile facilities until they reach the age of 18.
- **Inadequate current facilities.** Residential facilities in Lane County, including Skipworth Detention Center, usually do not meet existing standards for supervision, fire safety, and therapeutic treatment. Most are old and in need of replacement. Looking Glass recently replaced its outdated Stepping Stone Lodge with McKay Lodge and is the first operational private program at the Youth Campus.
- **Harder-to-serve youths.** Youth committing class A felonies have increased by 99% in the last four years. For the protection of the community and their own treatment, these youth require the structure and supervision of residential care. Under-served or unserved populations include: sexual offenders, arsonists, girls, and boys and girls who require a more structured shelter care placement.

Request

Several juvenile justice reform measures are pending before the Congress. Because Oregon has already acted to prosecute some juvenile offenders in adult court, it is important that any legislation enacted be flexible enough to allow Oregon to qualify for funding, equal to other states.

Community Youth Learning Center

A possible use of the Armory is a *Community Youth Learning Center (CYLC)* to provide effective service to enable out-of-school youth to transition successfully to full time educational programs or the work force. Defying national trends, juvenile crime rates have increased in Lane County for several years. Nearly two-thirds of young lawbreakers have either dropped out of school or skip class regularly. Statistics also show that a third of the crimes committed by juveniles in Lane County in 1996 occurred during school hours, between 8 a.m. and 3 p.m. The Community Youth Learning Center would help young offenders escape delinquency and poverty by offering:

- flexible academic programs to help students catch up so they can go back to regular high schools or earn GEDs or adult basic education diplomas;
- work-based learning experiences to teach job skills;
- counseling and anger management and other interpersonal skills;
- secure facilities to ensure student and staff safety; and
- community service projects to develop a sense of responsibility to society.

Representatives from the cities, county and state agencies and schools found that the youth associated with each of their problems had a common set of characteristics and that services by various agencies overlapped significantly. The Lane County Department of Youth Services, the Oregon Youth Authority, county school districts, Lane Community College as well as the city governments of Eugene and Springfield worked together to design a multi-dimensional program to address the needs of students who are transitioning from residential placement, treatment, or detention; who have been expelled or are truant; or who have dropped out of school and are at risk for becoming involved in juvenile crime or drugs.

The *Community Youth Learning Center* proposal outlines an education program that combines educational services with youth services and court-required competency, skill-building and community service programs. The project defines key social and study skills needed to help students transition successfully to educational programs or the workplace.

Request

Oregon has already acted to prosecute some juvenile offenders in adult court and has therefore acted consistent with the intent of S 10, the Violent and Repeat Juvenile Offender Act of 1997, now pending before the Senate. It is vitally important that any legislation enacted be flexible enough to allow Oregon to qualify for funding, equal to other states. Such legislation should allow local officials to determine the most appropriate programs to fund, such as the one described above, the Community Youth Learning Center.

Community Youth Learning Center

Troubled Youth

Truant
Expelled
Drop Outs

Arrested
Transitioning from residential placement
Transitioning from Detention (Skipworth)
On Probation
Adjudicated

Ready to attend school!

Not ready for a school setting

Public Schools

Regular High School
Regular Middle Schools
Regular Elementary Schools
Alternative Schools and Programs
LCC Programs

HS Graduation
Diploma
GED*
ABE*
HSC*

**Post High School
Activities**

CYLC Community Youth Learning Center

Counseling
Competency Skill Building
SOI (Structure of the Intellect)
Community Service
Workbased Learning
Transition Services
Educational Services

GED*
ABE*
HSC*



Work Place

* GED: General Educational Development

ABE: Adult Basic Education Diploma

HSC: High School Completion

Learning center studied as option

■ **Youth:** Officials are seeking a solution to the problem of teaching dropouts.

By RANDI BJORNSTAD
The Register-Guard

SPRINGFIELD — Superintendent of Schools Jamon Kent doesn't mince words when plugging the idea to create a school to get delinquent dropouts back on the educational track.

You can't take kids who've been out of school for months or years — and in trouble with the law — "and just stick them back in school and say, 'Make it,'" Kent says. "These kids have already *not* made it. We have to find a better solution."

Kent credits Lane County Circuit Judge Ann Aiken, who last week won U.S. Senate confirmation to the federal bench, with initiating the idea for a Community Youth Learning Center.

During her recent two-year tenure as juvenile court judge, Aiken "recognized the reality that kids want to be someplace, and many of them want to be in school," Kent says. Many haven't been able to function in a traditional school and need better alternatives, he says.

The consequences of truancy and dropping out are more serious now, says Sue McNair Gallup, director of instruction for the Springfield School District and a primary author of the proposal.

"In the 1950s, we actually had higher dropout rates than we do now," McNair Gallup says. "But back then, people who couldn't function well in the school setting could still go to work on the family farm or in the woods or join the military without a high school diploma."

The idea took on added urgency last month when the mayors of Springfield and Eugene, in their annual State of the City addresses, cited truancy — and its link to increasing juvenile crime — as a serious problem.

Defying national trends, juvenile crime rates have increased in Lane County for several years. Nearly two-thirds of young lawbreakers have either dropped out of school or skip class regularly. Statistics also show that a third of the crimes committed by juveniles in Lane County in 1996 occurred during school hours, between 8 a.m. and 3 p.m.

Juvenile delinquents often must agree to return to school as part of probation. But if they've failed before, they'll probably fail again, Kent says.

The Lane County Department of Youth Services provides some "life skills" training — such as anger management, responsible decision-making and basic financial skills — but doesn't offer educational services.

"(Youths) either have to go back to regular high schools, into the alternative high school programs or work on their GEDs," says Jim Leppard, the department's program coordinator. "For a few it works, but many of them aren't prepared for that."

Among teens on probation for property or violent crimes who met last week for a session at the juvenile department, nearly all have returned to public schools in Eugene and Springfield but don't feel optimistic.

Several said they hate school and go only to keep from being locked up for violating their probation. One said school "doesn't really apply to me" but recognized "that you need that piece of paper to get a job."

Another said "education is important to us, but our public schools don't help us at all — they don't help you with the skills to get you through life."

Viviana Sandoval, a 16-year-old mother who got into legal trouble while living with her family in Southern California, went back to school last week after dropping out and attending a teen-parent program at St. Alice Catholic Church in Springfield. She said she's determined to try harder this time so she can make a decent life for her baby son.

"I want to get independent and be on my own now," she says. "I want things to work out good — I want to do the right thing for my son. I need to have a career so I can provide for him."

The Community Youth Learning Center, designers say, would offer help for many problems that trap troubled young people in delinquency and poverty, including:

- Flexible academic programs to help students catch up so they can go back to regular high schools or earn GEDs or adult basic education diplomas.
- Work-based learning experiences to teach job skills and academic concepts to help students move into the work force.
- Counseling and development of interpersonal skills.
- Secure facilities to ensure student and staff safety.
- Community service projects to build empathy for others and a sense of responsibility to society.
- Assistance with housing, and personal and educational support as youths move toward adult responsibilities.

Kent, along with a cadre of area educators, juvenile officials and the mayors of Springfield and Eugene, presented the idea last month to a meeting of the Public Safety Coordinating Council.

The council, a 30-member panel of citizens and government and law enforcement officials working to improve public safety in Lane County, raised several questions — primarily financial — about the proposal. They will discuss the concept in greater detail at their next meeting at 3 p.m. Feb. 12 at the Eugene Downtown Athletic Club.

Although running a center would cost as much as \$1.65 million a year, supporters say it ultimately wouldn't be a significant drain. When fully operational, the center would receive the same level of state support — now about \$4,500 per student — as traditional schools, Kent says. Areas with similar programs have seen juvenile crime rates drop, which could save money now spent on law enforcement.

A small-scale pilot program could possibly be jump-started within the next few weeks using grant money available through Lane Community College and the Oregon Youth Authority. Additional funds could be raised through a countywide public-safety levy that's being discussed.



"I want things to work out good — I want to do the right thing for my son."

VIVIANA SANDOVAL
Center student

Youths zero in on life's values

By RANDI BJORNSTAD
The Register-Guard

Well over a dozen youths — nearly all boys — sit in a circle in an upstairs meeting room at the Lane County Juvenile Department. At first, they slouch in their chairs and stare idly at the floor.

"OK, what's a value?" asks Lisa Sacks, an intern at the Department of Youth Services who counsels kids on probation and helps teach a class on responsible decision-making.

She looks around, hears a few muttered responses, then zeroes in. "What do you think, Justin?" she says, then translates his mumbled answer to the group.

"Right — that's good," Sacks says. "A value is like a belief or a principle."

Sacks gets their attention with a more "hands-on" exercise. She reads them a story about a pair of young lovers who live across a raging river from each other and desperately want to get together. The girl asks a riverboat captain to take her across, and he says he will in return for sexual favors. She declines, then turns to an acquaintance and offers him sex in exchange for a ride.

Once across, she confides to her boyfriend what she has done, and he instantly dumps her. Another friend, indignant on her behalf, assaults the boyfriend. The scene closes with the girl laughing because he has been punished for hurting her.

Now the kids, who range in age from 12 to 18 but cluster in the middle, seem more eager to talk. Sacks asks each to jot down ratings of the people in the story, from "most sleazy" to "least sleazy." She divides them into small groups and asks them to come up with a common rating and explain their reasons.

All of a sudden, these kids — all of whom have been arrested and at least half of whom have served time in the Skipworth Juvenile Detention Center — have to examine their values, a concept some never gave much thought. They come up with widely divergent opinions about who deserves their disgust most.

With probation officer Wally Harms and education program coordinator Jim Leppard looking on, Sacks challenges the youths again. She sends them back to their small groups with a large piece of poster paper and a fat-tipped marker and tells them to develop a list of their own values.

Many have trouble with the assignment. In this, the third session in an eight-week course that meets twice weekly, they quickly remember "friends, family and freedom" — the "3 Fs" their teachers began drumming into them the first day of the class.

Some add expected terms, such as kindness, responsibility, pride, faith, honesty, education. Viviana Sandoval, a 16-year-old girl with an infant son, quickly writes his name — Rafael Anthony — on her group's list in large letters.

But many also call out words — money, fun, TV, video games, cars, hanging out — that reflect a confusion of values the teachers regard as common among youngsters who already know more than they should of instability and lawlessness.

Besides having been on the wrong side of the law themselves, up to a third come from families where at least one parent has a police record, the juvenile officials say. Likewise, many of the parents had their own difficulties in school and don't place a high value on their children's education, they say.



University of Oregon student intern Lisa Sacks helps lead a discussion on values with the group.

When the youths in the class have exhausted their suggestions, Leppard praises their efforts.

"We gave you guys very little information about values to work with, and you came up with words like dignity, trust and relationships — I'm impressed," he says.

"There's nothing wrong with your values — your lists show many of you know what good values are," Leppard tells the group. "What you have to work on is getting your behaviors to line up with your values. That's what we're doing here."

At the end of the 90-minute session, most of the youths rush for the door, like students anywhere.

On the way out, a blond 17-year-old approaches a teacher and shyly offers to share a picture of his 4-month-old baby. After enjoying an admiring response, he also leaves.

"You'll see a big difference between where these kids are today and where they will be a few weeks from now," Leppard says after the room empties. "And to tell the truth, a lot of what they learn, they'll learn from each other."

"Eventually, they figure out that they share a lot of values with (Mahatma) Gandhi and Mother Teresa. Then they have to decide what to do with that knowledge. At that point, it's up to them."

Still, about a third drop out of the classes, Leppard says. Some quit because they dislike anything that smacks of school. Others may violate probation and end up locked up at Skipworth or at one of the state's detention centers.

The classes are designed to teach delinquent kids the skills they need for everyday living — everything from budgeting to anger management to empathy for others.

Most of the kids have washed out of regular schools, probation officer Harms says.

"A lot of these kids are the 'hands-on' learners who don't do well in the traditional, word-based classroom — they're the ones who used to do well in shop and art and vocational classes when schools still had those programs," he says. "They're often the ones on individual education plans, the ones with reading difficulties and attention-deficit disorders."

"They're the ones who are clearly telling us that the traditional school setting doesn't work for everybody. They're proof that we need to provide better alternatives so that more kids can stay in school and out of trouble."

PETER A. DEFazio
4TH DISTRICT, OREGON
RESOURCES COMMITTEE
SUBCOMMITTEE
WATER AND POWER RESOURCES
TRANSPORTATION AND
INFRASTRUCTURE
SUBCOMMITTEES
AVIATION
SURFACE TRANSPORTATION



Congress of the United States
House of Representatives

May 11, 1998

- PLEASE RESPOND TO
- ☐ 2134 RAYBURN HOUSE D.C. BLDG.
WASHINGTON, DC 20515-3704
(202) 225-6416
 - ☐ 151 WEST 7TH AVE. #400
EUGENE, OR 97401-2649
(541) 485-6722
1-800-944-3603
 - ☐ P.O. Box 1567
CORVALLIS, OR 97330-3330
(541) 259-2609
 - ☐ P.O. Box 2180
ROSELAND, OR 97470-0511
(541) 440-3523
 - ☐ Peter.DeFazio@mail.house.gov

The Honorable Bill Hefner
Ranking Democrat
House Appropriations Subcommittee on Military Construction
1016 Longworth House Office Bldg.
Washington, D.C. 20515

Dear Congressman Hefner:

I am writing to request your support for an important National Guard relocation project in Lane County, Oregon, in my congressional district, known as the Eugene Armed Forces Reserve Center and Organizational Maintenance Shop.

The Oregon National Guard has ranked this project as a priority for the state at a construction cost of \$17.345 million. In the FY 1997 Military Construction Appropriations legislation for FY 97, this project was funded for site and design work at a cost of \$1.144 million. That work is underway and will be substantially complete by the end of the current fiscal year.

The Eugene Armed Forces Reserve Center and Organizational Maintenance Shop will replace two Oregon Army National Guard armories: Cottage Grove, constructed in 1931, and Eugene, constructed in 1973, both of which have become antiquated, expensive to maintain and inadequate in administrative, training and storage space. In addition, it will replace a Naval Reserve/Marine Corps Reserve facility in Eugene which is presently considered undersized by Naval Reserve/Marine Corps standards. The space situation will be compounded in December 1998 when the Naval Reserve/Marine Corps facility in Salem, Oregon will close and Naval Reserve units assigned to Salem will be co-located in Eugene. Consolidating these facilities will save the federal government construction dollars as well as operation and maintenance funds. The new facility will house four Oregon Army National Guard organizations, totaling 450 soldiers; thirteen U.S. Naval Reserve organizations, comprising 202 seamen; and one U.S. Marine Corps Reserve organization consisting of 157 Marines.

I appreciate your consideration of this request. If you have any questions, please contact me or Kathie Eastman of my staff at (202) 225-6416.

Sincerely,


Peter DeFazio
Member of Congress



Willamalane
Park & Recreation District

THE [illegible]
6-16-98

MAIA E. FYI
NEWSPAPER
June 13, 1998
13

Dear Mr. President,

My name is Mary Kuhl and I am a Recreation Supervisor for Willamalane Park and Recreation District here in Springfield, Oregon. Thank you for taking the time to come to Springfield. I am disappointed that I was unable to meet you in person, but I understand there is a limited number of citizens you can meet in situations such as this. I want you to know what a great community this is to work in and what a difference I feel we can all make here and throughout the nation, even in the little things that we do.

On Memorial Day, just four days after this tragedy took place in our community, I sat down to put my thoughts on paper. I want to share some of my thoughts with you now that you have been here in Springfield and have seen this wonderful community. Over the past several months, the nation has been saddened to see children resort to violence to solve what seems to be hopeless situations for themselves. I have cried for the people of Paducah and Jonesboro and remember thinking, "they were just babies", and "someday I will have to send my son off to middle school". But this tragedy in our community has touched me in a different way. This is the community in which I work and live. I touch these children's lives in this community on a daily basis. I am in a situation to make a difference, yet I am no different than anyone else in this nation, we all have the ability to make that difference.

*Copied
Schaefer
COS*

Our world's children are our gifts. It is our job as human beings to treat these gifts preciousely. We need to raise them with love and respect and they will give back to us love and respect tenfold.

Seeing tragedy on the television or reading about it in the newspaper is one thing, but feeling tragedy is very disheartening. For the past three weeks, Springfield, Oregon has felt tragedy. We are all healing and this healing process has brought this community together. I wish you could have seen the memorial wall that was erected in the hours and days following the shooting. You would have felt the hope that we have all felt. This community wants to change things so that this will not only never happen here again, but so that it will never happen ANYWHERE again. They want to see children be children for as long as they can.

I want you to know that I can make a difference in my position here as a Community Recreation Supervisor for Willamalane. I will do my small part to make this great nation be an even better place to live. We need you to continue to support children and programs for children when they are little one's. Let's not lose sight of the love and respect and the nurturing that can make a difference as children grow up. Let's not forget to pray for all the kids in this world.

Thank you for coming to Springfield, Oregon. Thank you for showing your support for this healing community. Thank you for doing your part for children. As I find ways to do more, I will be in touch.

Sincerely,

Mary Kuhl
Mary Kuhl

Dan Burkhardt:
Please coordinate
the reply.

FAX

6-10-98

Date 06/09/98

Number of pages including cover sheet 1

TO: The President
The White House

Through: Nancy Hemreich

Office
Fax 202-456-6703

FROM: Bob Rose
326 Bayberry Lane
Westport, CT 06880

Home 203-222-8800

Fax 203-227-4447

Office 212-272-2822

Fax 212-272-7817

REMARKS: ☐ Urgent ☒ For your review ☐ Reply ASAP ☐ Please Comment

Mr. President,

As with your previous trip to Westport on March 10th, the post trip reaction by Connecticut press to yesterday's trip has been exceptional. I have attached the front page photo and article of today's Connecticut Post entitled, "Clinton Wows Crowds." Yvette and I were once again honored to have co-hosted this visit to benefit Barbara Kennelly's campaign and are extraordinarily pleased that it went so well. Your kind words and special attention at the LZ were not only greatly appreciated by family and me but most especially by Donna and her two boys who are experiencing difficult times. Steve Grossman recently appointed me Chairman of the National Finance Council. In this regard, I plan to invite Donna to some of the upcoming DNC events.

Once again, thank you for your continued and constant friendship.

Best Personal Regards,



copied
Smith
COS

**10:15 AM
JUN 10 1998
CT**

Dan Burkhardt:
Please coordinate
the reply.

POST

6/19/98

Front Page

CLINTON VISIT WOWS CROWDS



thrills Norwalk residents as he stops to shake hands after leaving a fund-raiser hosted by Westport's Martha Stewart.

PHOTO BY CORNELL POST

JUN -09' 98 (TUE) 08:29

BEAR STEARNS FUTURES

TEL: 212 272 781

P. 002



President Clinton, right

CT Post 6/9/98
Front PAGE - Continued

Masterful president has personal touch

By MARIAN GAIL BROWN
Staff writer

WESTPORT — Sidewalk political pundit Rhoda Berke staked out her position behind the orange sawhorses early Monday morning for a glimpse of President Clinton and his motorcade. From there, she hurled advice to the visitors — "tell Bill we want to see him."

In the end, Berke got her wish — and then some. When the president's motorcade pulled out of Martha Stewart's production studio, Berke began chanting: "Bill, Bill, Bill." Soon the crowd behind her started chanting. Little children sitting on their parent's shoulders squirmed and squealed. Someone stuck their fingers in their mouth and let out a high-pitched whistle. Then Berke's dog, Cassidy, started braying at the sun.

See LITTLE on A6

Little boys inspired by Clinton attention

Continued from A1

It's hard to say which of these prompts got the president to halt his limousine and jump out with U.S. Rep. Barbara Kennelly on his heels. Clinton strolled up to the crowd, talking with the Democratic congresswoman who wants to be governor, gesturing with his hands as he hammered away at his points. When he reached the orange sawhorses, the conversation stopped.

"Hello ... hello, how are you? ... hi there..." hand over hand he reached out and seemed to grasp everyone in the crowd, focusing on each person for a couple of seconds as though that man, woman or child is the only one there. Acrobatic listening. Then he moved on — to the next outstretched hand.

"I don't care what anyone else says," Berke told Clinton. "Your personal business is your own business. You have a right to some privacy." The inference to White-water prosecutor Kenneth Starr was clear. Clinton locked eyes with Berke, smiled and gave her one of his "what-can-ya-do, it comes with the turf" looks. Then he patted her golden retriever. "Beautiful dog," he told her. "What's his name?"

Cassidy.

"Cassidy? That was my mother's maiden name. When I was in Ireland ..." and he told her about the genealogist who traced part of his family's Irish roots. In fact, the president told Berke he even has a picture of the first Cassidy family homestead.

Clinton shifted to someone else. Berke appeared stunned.

"He is just very cool. I am so inspired. I am going to campaign for someone," said Berke, a casting agent who specializes in finding

Godzilla and in the most grown up voice an 8-year-old can muster asked: "Mr. President, do you know 'Godzilla?'" Clinton smiled and told Brian that he did. "I shook his hand, too," Brian boasted to reporters of his presidential encounter. "It's squishy," he said.

Meanwhile, behind the sawhorses outside Stewart's production studios, Teddy W. Youngling waited for a glimpse of the president.

"If I weren't here, I guess I'd be doing long division at school," the 9-year-old boy explained. "I feel very lucky being here and excited, too," Teddy said. In fact, "I feel like I'm going to throw up."

Of course, everybody staring within 3 feet of Teddy took this as a cue to take a giant step away from the third-grader.

While guests at the \$5,000-a-plate luncheon dine on peachwood smoked salmon — flown in from Alaska — baby artichokes, oven-cured tomatoes and braised fennel, tarragon chicken-salad tea sandwiches and strawberry shortcake, the onlookers trying to spot Clinton are fasting. But they don't mind.

"I don't want to take the chance that I'll miss him leave," said Suzi Miller, a special education teacher from Daniels Farm Elementary School in Trumbull who arrived moments after Clinton.

Amid the Democratic revelers and Clinton fans, Miller seemed out of place.

"I would like to give him a moral compass because I think he's lost his," Miller said. "It happened a long time ago. I think he lost it early in his life."

As Clinton moved through the crowd for the last time, Karen DeMaggio pointed to her eldest son.

everyday-looking people for commercials. Exactly who she might campaign for, Berke doesn't know. Just that she will.

Hours earlier, Clinton's 21-vehicle motorcade cruised through a Norwalk neighborhood that borders Stewart's property. Spray-painted bed sheets and cardboard signs read: "WELCOME TO NORWALK PRES. CLINTON." The signs and the eager, expectant faces behind them were irresistible. Clinton stepped out of his limousine, Secret Service detail in tow, and shook hands with about 20 neighborhood youngsters.

Brian Vincent held up his toy

Matthew, whose bedroom is decorated with Clinton memorabilia and pictures.

"Mr. President," DeMattio called out. "He wants to be president when he grows up."

Matthew beamed. So did Clinton. He gave the 7-year-old a high five. Then he slid on to the next person.

So, who knows? Maybe this is a pivotal moment in Matthew DeMattio's life? Perhaps, it is THE event that he one day tells his constituents launched his political career.

■ *Marian Gail Brown can be reached at 330-6288.*

Maria
Fry
Murray
C. Paulin



6-16-98

Be

Norma Paulus
STATE SUPERINTENDENT OF PUBLIC INSTRUCTION

June 13, 1998

copied
Echaveste
COS
Emanuel

The Honorable William J. "Bill" Clinton
President of the United States
1600 Pennsylvania Avenue NW
Washington DC 20500

Dear President Clinton:

I am pleased that you spotlight heroes as you promote public education. I have a nominee: Bill Duffy, a Thurston High School (Springfield, Oregon) health occupations teacher who played a critical role following the shooting tragedy at Thurston High School on May 21, 1998.

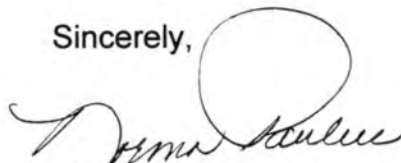
Mr. Duffy responded immediately after the shooting by assisting the wounded and prioritizing those needing medical help. He instructed students on performing emergency care. His heroism was reported in the Eugene *Register-Guard* newspaper (enclosed).

There is more to this. Mr. Duffy is a leader in Oregon's effort to reform education by connecting rigorous academic learning with application. For instance, his health occupations students two years ago held a disaster drill at the school to demonstrate how health professionals should react after an explosion. In fact, Bill is a pioneer. He is one of a handful of registered nurse-teachers in the state.

He was prepared. He prepares his students. Mr. Duffy would be a wonderful educator to put in the national spotlight.

Thank you for your consideration and thank you for your support for the community of Springfield.

Sincerely,


Norma Paulus

Dan Burkhardt:
Please coordinate
the reply.

Enclosure

KAREN McCOWAN

Teachers put lives on line

THEY RAN TOWARD the gunfire, not away from it.

They were the other heroes in last week's shooting, the Thurston High School teachers and other staff who ran into the cafeteria, some while students were still pouring out.

I have the names of nearly 20 of them: Dale Bachman, Gary Bowden, John Connolly, Dick Doyle, Bill Duffy, Kevin Durfee, Wanda Grant, Bill Harris, Lynn Hellwege, Kevin Hillman, Scott Johnson, Shannon Leith, Jim Montgomery, Doug Piquette, Sharon Plueard, Bill Smith, Saylor Smith and Don Stone. There are certainly others.

They, like the Thurston students who wrestled the gunman to the ground, deserve the thanks of a grateful community, never the kind of vicious attack Bowden got in a letter this week. It read, in part: "You are one dumb ass.

Typical of a public school teacher. It's too bad that you and (slain student) Mikael Nickolaussen couldn't have changed places."

The letter was prompted, Bowden said, by his comment just after the shooting, that "We ought to disarm. If this isn't a reason, I don't know what is. The privilege of having a gun

is not worth this."

But his malevolent correspondent was right about one thing: Bowden's action last week was typical of the public school teachers at Thurston High School, people who daily invest their lives in other people's children, who grow to love them, and who would lay down their very lives to protect them.

"You've really got to take your hat off to them," Springfield Police Capt. Jerry Smith said. "These teachers didn't know the shooting was over when they ran into that cafeteria. Because of their tremendous caring for those kids, they were willing to put their own lives on the line."

Bowden, who is also Thurston's wrestling coach, did not have to hear gunshots to know exactly what had happened shortly before the start of school last Thursday. Hearing a scream, he looked out the window of his classroom to see students pouring out of the cafeteria.



"Kids will run to a fight," he said. "They only run away from something they fear. I knew it was a gun."

Nevertheless, he sprinted across the courtyard in a matter of seconds, becoming one of the first faculty members to burst through the cafeteria doors.

"Jake (Ryker, one of his wrestlers, who tackled shooting suspect Kip Kinkel as he paused to reload his semiautomatic rifle) saved my life. I came into a situation that was basically over. Otherwise, I would have been standing right in (Kinkel's) line of fire," Bowden said.

Health Occupations teacher Bill Duffy *did* hear the shots. "The first two shots, fired out in the hallway, got my attention," he said. Within seconds, the steady pop of rifle fire followed, "like firecrackers on a string."

DUFFY, WHO'S ALSO a nurse, dashed toward the cafeteria as well. At the door he met a student, Travis Weaver, coming out with a rifle.

Duffy remained calm, never fearing that Weaver was the shooter.

"His demeanor when he came out that door was of a young man looking for the first adult he could find because he had something to get rid of," Duffy said.

Smith, the police captain, also credited Duffy and his health occupations students with immediately and effectively initiating triage and emergency medical care, providing lifesaving first-aid and saving precious assessment time once paramedics arrived to transport the injured.

Thurston has one of the strongest health occupations programs in Oregon; Duffy is one of only two state-designated master teachers in this field, designed to prepare students for careers in the burgeoning health care industry. The school has an active Health Occupations Students of America chapter, and Duffy said an initiative by some HOSA students two years ago proved providential in preparing Thurston for last week's disaster.

At the suggestion of several student leaders that year, his HOSA kids designed and oversaw a full-scale disaster drill on the Thurston campus. That simulated catastrophe, an explosion in a chemistry lab, proved a dress rehearsal for last week's real-life disaster, from securing the campus and triaging and treating the wounded to notifying family members and handling the press.

"Bill Duffy was an inspiration," metal shop teacher Kevin Durfee said. "He conducted triage very professionally at a time when I certainly wasn't sure what to do. Within minutes, he had me making a list of victims" — something Durfee said he would never have thought to do but which proved crucial once terrified parents began arriving.

"There was this overwhelming feeling of calm that was almost surreal, almost eerie," Bowden said. "We were so lucky to have Bill there."

Durfee agreed. "There were lives saved, I

Turn to McCOWAN, Page 4B

OVER →

McCOWAN

Continued from Page 1B

know, because of the efficiency here in the first four or five minutes before the ambulances arrived," he said, pointing as an example to the mouth-to-mouth resuscitation immediately started on student Teresa Miltonberger, still alive Friday despite a critical gunshot wound to the head.

Duffy passed the credit on to Thurston students, many of whom began caring for their injured classmates even before he got around to assess their conditions.

"I will never, ever forget the complete oneness, the tender hearts of each student and teacher in submitting to direction," Duffy said. "There was no hierarchy, no, 'I'm the teacher here.' Everybody did whatever needed to be done, no matter how large or how small."

The selfless spirit was epitomized, he said, by one incident in particular.

"This young man was lying on the ground, wounded, and this little gal was sitting there next to him, taking care of him," he recalled, briefly choking up. "I asked her if

she would stay with him, and let us know if his condition changed, and she said yes, she would. Then I looked down and saw for the first time that she had a chest wound. She'd been shot, too!"

When the ambulances began to arrive, it was in waves, not all at once. Though they surely wanted nothing more than to get out of that cafeteria, even injured students urged that others they were worried about be taken first.

Duffy also credits former Thurston principal Wayne Hill, who championed the health occupations program and the 1996 on-campus disaster drill.

"We were educated," he said. "We were prepared. There's a peace of mind in knowing we did the very best we could. It allowed us to regain some feeling of control in a situation that at first felt uncontrollable."

To contact Karen McCowan, call GuardLine, 485-2000 and enter category 3512.

6-16-98



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portland, OR 97242-0096

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Dan Burkhardt:
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the reply.

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Street Address:

Main St. Theatre
904 S.W. Main St.
Portland, OR 97205

Phone:

503-242-0080

June 13, 1998
Portland, Oregon

6-16-98

Dear President Clinton,

It's an honor and great pleasure to be invited to meet you this morning. This is the closest I've ever been to anyone who I believe has the ability to effect change in this country.

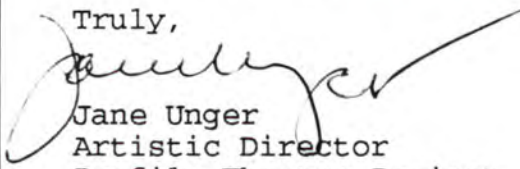
Though I've been invited here as a theatre director, the one message I want to communicate to you is to fight the gun lobby and enforce stricter gun control, beginning with shutting down gun shows. After living through the past month in the shadow of the Thurston High School tragedy it is more evident than ever that accessibility to guns is the greatest cause of this past year's rash of school shootings. Yes, a lot can be said about troubled youth and your proposals for smaller classrooms and better after-school programs are essential. But gun shows are rampant throughout this country, no restrictions apply and as long as guns are so easily gotten, tragedies like Thurston High School will continue all over this country.

Follow Australia's and Scotland's lead - destroy the weapons, enact stricter gun control. Don't let Charlton Heston and the gun lobby bully you. Shirley Temple just spoke out against him - you can't ask for a more appealing ally than her!

Many people are too afraid to speak out against the gun lobby. Be a leader and show us the way.

Thank you for your strength and courage.

Truly,


Jane Unger
Artistic Director
Profile Theatre Project

SUBSCRIBE NOW!

Things to know:

- ☛ The first Thursday of every production is a Preview performance.
- ☛ Show times for *Wings* and *Indians* are Thursday through Saturday at 8 pm, Sunday at 3 pm.
- ☛ Special showtimes for *Road To Nirvana!* Thursday and Friday at 8pm, Saturday at 7pm and 10pm, Sunday at 3pm.
- ☛ Post-show discussions will be available after the second week's Sunday matinee.
- ☛ Half-price student rush tickets are available at the theatre 1/2 hour before show time.
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WINGS January 29 - February 22

THURS	FRI	SAT	SUN
29	30	31	1
5	6	7	8
12	13	14	15
19	20	21	22

ROAD TO NIRVANA March 19 - April 12

THURS	FRI	SAT	SUN
19	20	21	22
26	27	28	29
2	3	4	5
9	10	11	12

INDIANS May 14 - June 7

THURS	FRI	SAT	SUN
14	15	16	17
21	22	23	24
28	29	30	31
4	5	6	7

I want to tell you about an exciting new presence on the Portland entertainment scene: Profile Theatre Project, a truly unique theatre company opening January, 1998. This season and every season we will celebrate the playwright's contribution to live theatre by featuring the works of one writer.



We begin this thrilling journey with three plays by Arthur Kopit, one of America's most versatile, influential, and astonishing playwrights.

I invite you to join us as we embark on this singular adventure in live theatre.

Jane Unger - Artistic Director

I am deeply honored and singularly excited that Profile Theatre Project has chosen to produce three of my plays in succession, for my work has never been presented in this way before. What will their cumulative impact be? I



cannot wait to find out, not only by seeing the individual productions, but by meetings with subscribers and students as well. I have a feeling I am about to discover something about my work that I never knew.

Arthur Kopit



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project

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AN INVITATION TO

soar with us...



AS WE TAKE OFF WITH "WINGS"!

Wings

January 29 through February 22
arring Gaynor Sterchi and Jean Miller

We are proud to launch our first season with *Wings*,
pit's riveting and lyrical exploration of language and
pe.

Emily, a former aviatrix, struggles with the aftermath
a stroke. Speech eludes her. Words shift in meaning. She
ds salvation in her memories of flight and the help of a
npassionate nurse.

This stunning drama was a 1978 Tony nominee
Best Play.

"Supremely evocative" - Clive Barnes.

Road to Nirvana

March 19 through April 12

Hollywood is scathingly skewered in this uproarious,
pitch-black portrait of three producers trying to secure
the rights to a red-hot project.

The project? *Moby Dick* re-imagined as the screen
auto(erotic)biography of a pop/sex goddess named
Nirvana.

Satirizing a culture (ours, of course) obsessed with
money and fame, this play is wicked, profane and very,
very funny.

"A work of inspired parody" - The New Yorker.

"Hilarious" - The Village Voice.

A . PORTLAND PREMIERE .



Indians

May 14 through June 7

At the end of his career, Buffalo Bill Cody tries to
revive his world-famous Wild West Show. But he is
haunted by the ghosts of the Native Americans that he
helped annihilate.

Daring, exciting and wildly theatrical, this electrifying
comedic drama looks at a dark slice of American history.
A 1969 Tony nominee for Best Play.

*"It may well be the Great American Play
that everyone has been waiting for."*

The Philadelphia Enquirer.



SHOW DATE	SAT EVE NUMBER OF NIRVANA ONLY 7 or 10pm	PRICE PER SUB-SCRIP	TOTAL
Wings		\$40 PER SUB-SCRIP	\$
Road to Nirvana			
Indians			
Gala Susannah Man fundraiser	Nov. 16	\$30 PER TKT	\$
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3 CONTEMPORARY CLASSICS BY ARTHUR KOPIT



EXECUTIVE FLEX-TIME

Booz Allen let Cedarbaum do a stint as a recruiter at Columbia B-school, which gave him time to help his ailing parents

and other initiatives to help employees cope with a consultant's grueling schedule. With unemployment at a 25-year low and salaries rising in related fields such as banking, all consulting firms are having a tough time hanging on to people. So Booz is hustling to cultivate employee loyalty and retain valuable talent, says Joni Bessler, vice-president for human resources for the company's 2,000-employee commercial consulting business. Quips Bessler: "We'd also like to put chains on the door."

NO BOND. Booz Allen is among hundreds of U.S. companies undergoing a sea change in relations between employer and employee. For most of the 1990s, downsizing set the tone for the modern employment contract. As companies frantically restructured to cope with slipping market share or heightened competition, they tore up old notions of paternalism. Don't expect to spend your life at one company anymore, they told

employees. You're responsible for your own career, so get all the skills you can and prepare to change jobs, employers, even industries. As for the implicit bond of loyalty that might have existed before—well, forget it, said employers. It's an unaffordable luxury in these days of fierce global competition.

After several years of tight labor markets, though, business is rediscovering the value of corporate loyalty. It's retooled this time—no one is even pre-

CORPORATIONS

Guns / Business

WE WANT YOU TO STAY. REALLY

With labor tight, employers are starting to do more to keep workers

Last year, Harry Cedarbaum was caught in a classic baby-boomer crunch. His parents, who live in Europe, developed health problems and needed help closing the family business. But Cedarbaum, a father of three with a demanding job as a management consultant at Booz, Allen & Hamilton Inc. in New York, simply had no time to help. So he signed up for a job-rotation plan Booz Allen had recently started, and in August, he was

assigned to a stint as a recruiter at Columbia University, his alma mater. That has allowed Cedarbaum, 38, to work fewer hours and squeeze in trips to Europe to help his parents. "I get several headhunter calls a week, but I made a commitment to the firm, and they made a commitment to me," says a grateful Cedarbaum. "This loyalty is an incredible thing."

Winning such loyalty is exactly why Booz Allen started the rotation program

The Workplace

tending to offer lifelong employment. But with turnover rates running at a 10-year high of 1.1% a month, executives are trying to send a new message to employees: Don't leave. We need you. Work for us—you can build a career here. Employers are going to great lengths to persuade employees that they want them to stay for years.

The new notion of loyalty is more arms-length than the old 30-years-and-a-watch mentality. It's more like a mutual commitment between employer and employee. "The company is responsible for providing the environment in which people can achieve their full potential, and employees are responsible for developing their skills," says Raymond V. Gilmartin, CEO of Merck & Co. "That's the key to our ability to attract and retain talent, and it defines the new employment relationship as I see it today."

SHIFT STRATEGY. Employers are trying all sorts of strategies to cement this new relationship. They're revamping rigid pay systems to make it easier for employees to move laterally to enhance their skills. Others even seek the loyalty of that archetypal footloose employee of the 1990s, the temp. And instead of just dumping excess workers when they downsize, some companies are moving skilled employees around in response to market shifts. Raytheon Co., which is slashing thousands of defense jobs, hopes to redeploy many engineers to its booming commercial units.

Companies also are installing new career-development programs to help employees plan their next moves up the ladder. The goal, says Carol Roberts, vice-president for people development at International Paper Co., is to let employees know that IP cares about their long-term future. "If a rival company is going to have that discussion with our employees, we better be willing to have it, too," she says.

Companies may not be moving fast



enough, though, to counter deep skepticism among employees who fear employers will toss them out with the next shift in corporate strategy. Indeed, more employees have negative views of their companies today, according to annual surveys of 450,000 employees, mostly at large companies, by Chicago-based International Survey Research Corp.

(ISR). Wages finally are beating inflation, according to the Bureau of Labor Statistics, but they have barely made up ground lost over the decade. So when employees see companies raking in record profits, the decent raise they finally got seems inadequate, says ISR CEO John R. Stanek.

Continual restructurings, even in boom times, sap morale. And layoff announcements—and the fear they generate among employees—have abated

MIXED MESSAGES

Exec efforts have earned temp worker Van Allen's loyalty—yet the company says it may shrink or close the center where he works

only slightly in recent years. So employees figure that the company luring them with the promise of a bright career still may dump them down the road. Worse, top executives think they're doing a better job of dealing with employees than in the early 1990s, even as employees' views of them deteriorate, ISR's surveys show (charts, page 72).

QUALITY DIVE. The danger for Corporate America is that the disconnect may sap productivity. If employees feel left behind by today's flush times, they may be less willing to put in the extra effort needed to keep customers happy, say execs and experts. "Employers can't let employees' anger fester, or it hurts your quality," says Kaiser Permanente CEO David M. Lawrence. The health-care turmoil of recent years has generated tremendous anger among his 100,000

employees, he says. Kaiser is trying to cope by creating new career opportunities and forming partnerships with unions. "But it's not getting better yet," says Lawrence. "We see these efforts as a 10-year investment to turn around employee attitudes."

Corporate efforts to nurture loyalty focus mostly on professionals, whose skills are most in demand. Many employers are dusting off long-ago-shelved training and career-development programs, hoping to reassure skittish employees about

AS EMPLOYERS SCRAMBLE FOR HELP...



...THEY'RE REACHING OUT TO EMPLOYEES

- ▶ Helping workers develop skills to advance their careers
- ▶ Making it easier to change jobs within the company
- ▶ Redeploying workers from downsized units to expanding ones
- ▶ Persuading temporary workers to stay onboard

DATA: BUSINESS WEEK

Companies still haven't been able to overcome deep skepticism among employees, who fear they'll be tossed out with the next shift in strategy

their futures. Citibank, for instance, restructured throughout the 1990s and announced 9,000 additional job cuts last fall. But even before its recent merger with Travelers Group Inc. was announced, Citi expected its net employment to grow beyond today's 90,000, says Human Resources Senior Vice-President Marcela Perez De Alonso. Partly to offset anxiety, Citi set up a formal career-development program for 10,000 managers. Twice a year, they're reviewed to see what their next step should be, given what jobs are open. Up to 3,000 managers move in a typical year. "We want to make people feel that they have a long-term career with us," says Perez.

Such efforts often require fundamental shifts in how career decisions are made. Instead of simply allowing managers to decide when to promote their staff, human-resource departments are trying to set up formal procedures to make sure valued employees get attention. Last year, International Paper rolled out a new program for its 13,000 white-collar workers. Managers must sit down with employees every year, says Roberts, and discuss their career desires, separate from the annual performance review. Last year, about half of IP's managers followed the new plan, and CEO John T. Dillon wants the rest to follow suit this year.

OPPORTUNITY KNOCKS. If all this sounds vague and fuzzy, just ask Gerry Miovski how much difference long-term growth prospects make. Miovski, an architect in his late 20s, was promoted rapidly to head of commercial business development for the Northeast in the New Jersey office of Kagima, a huge Japanese contractor with many U.S. contracts. With commercial real estate booming, headhunters called all the time, but Miovski was happy in his job. Then, last fall, he got a call from HLW International, a large New York archi-

tectural firm setting up a new commercial-design unit. Miovski agreed to become the unit's business-development director, at no salary increase, because of the chance it offered to build an organization from the ground up. "The decision to move was more about where

benefits. He recently moved from general manager at a low-end Fairfield Inns in Peoria to human-resources director for a high-end Marriott Resorts hotel at Chicago's O'Hare airport. "I couldn't even have applied for the job under the old system, because this job was three salary grades higher than the old one," says Nalewanski. Adds Steve Bauman, Marriott's head of career management: "The point is to attract and retain people by providing a broader vision for career opportunities."

Employers are trying to make their cultures more employee-friendly, too.

Like Booz Allen, they're putting more emphasis than ever on programs to balance work and family life and create more flexible workdays. Some also are training execs to be less hierarchical. Last year, Merck set up a leadership program to teach managers to "balance getting results with how people are treated on the job," says Howard Levine, the company's vice-president for employment issues. Managers' bonuses are now linked to their leadership ability as well as the performance they deliver. And execs use "360-degree" reviews, in which underlings, peers, and bosses assess them anonymously.

CEO Gilmartin set the tone by doing a 360 himself last fall. He used an outside firm to collect and summarize opinions about him from the dozen people on his management committee as well as from Merck's board of directors. "You learn your strengths and where you need to improve," says Gilmartin.

Tight labor markets are even changing the way employers approach restructurings. Layoff announcements in the first five months are running 26% above the same period last year, according to Challenger, Gray & Christmas

Inc., a Chicago outplacement firm. But with today's job shortages, some companies try to retain employees who would have been cast aside before.

In January, defense-electronics giant Raytheon said it planned to slice 8,700 jobs, or 10% of its workforce, to consol-



I'll be five or 10 years from now," says Miovski.

Companies also are trying to open opportunities for employees to broaden their skills. Last year, after a test run in Atlanta, Marriott International Inc. began expanding a new program to lump its 14,500 managers into four broad salary bands. Instead of assigning every job a grade level with a narrow salary range, managers now have wide latitude to get more pay or experience without a formal grade increase. The bands allow managers to seek broader opportunities across Marriott's 10 hotel chains.

Loren M. Nalewanski is reaping the

WIDE LATITUDE
A Marriott plan that does away with narrow grade and salary ranges gave Nalewanski a shot at a job he couldn't have applied for before

The Workplace

update recent acquisitions of Hughes Aircraft Co. and the military business of Texas Instruments Inc. In the process, the Lexington (Mass.) company is cutting the jobs of 2,700 engineers, mostly in defense. Meanwhile, Raytheon's commercial side, which makes everything from aircraft parts to power plants, is booming. Those units need to hire as many as 5,000 engineers this year alone, officials say. The matchup of skills and slots isn't always exact, but Raytheon is doing all it can to redeploy engineers whose jobs are being cut. The company expects virtually all 2,700 to receive at least one job offer from another Raytheon unit.

TEMP TIES. Some employers are even bidding for the loyalty of contingent workers. Most large companies routinely use temporary-help agencies to fill jobs they don't want to make into permanent posts. But nowadays, companies must hustle just to keep their temps from jumping ship. Xerox Corp. employs 80 phone operators in the Denver suburb of Englewood to provide dispatching services for its repair technicians. Xerox subcontracts to Olsten Corp., a temp agency, for 60 of the operators, who work side by side with Xerox employees. They earn about one-third less, mostly because of fewer benefits, says site manager Steven M. Orton.

But unemployment in Denver, where many companies have call centers, is running at 2% or less. To reduce turnover, Orton has had to jack up hourly pay rates several times, and he also tries hard to make the Olsten workers feel like they're Xerox employees. The two groups have company picnics together, work in teams, and "are called special-assignment representatives, not temps," says Orton. Last year, Xerox began paying a \$300 bonus to Olsten workers who rejoin Xerox. Orton started the bonus after Xerox lawyers advised him that temps employed for more than 18 months might

be considered permanent Xerox employees. To avoid a legal problem, Olsten agreed to find other temp jobs for the Xerox staff every 18 months. But once operators left for elsewhere, some didn't come back.

To build loyalty and entice more back, Orton now pays every returnee \$100 a month for up to three months (which is how long the lawyers say temps have to

ing negative attitudes? One reason is the uncertainty that remains even as the economy booms, say human-resource experts. Some workers will still lose their jobs at Citi and Raytheon, for example, despite the companies' efforts. And Xerox is mulling whether to shrink or close the Englewood unit in a few years, Orton says. Employees are quick to pick up on the mixed messages.



FIGHTING BACK

Boeing engineers have protested a plan to institute merger partner McDonnell Douglas' benefits, which they say are inferior

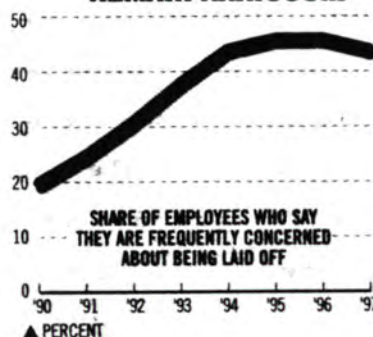
Employees are also smarting at cost-cutting efforts, which continue at many companies. Even as Boeing hustled to hire 1,000 engineers in the past year, it is also cutting benefits. Execs said in March that they will put nonunion employees on a common benefits plan after last year's merger with McDonnell Douglas Corp. The problem is, say officials of the Seattle Professional Engineering Employees Assn. (SPEEA), that Boeing decided to use MD's inferior benefits as the benchmark. SPEEA represents 20,000 Boeing engineers who fear the company will demand that they adopt the new plan, too. Boeing denies that the new plan reduces bene-

fits. SPEEA, which has held protest rallies, says such cost-cutting tactics explain why Boeing employee surveys show slipping morale in recent years.

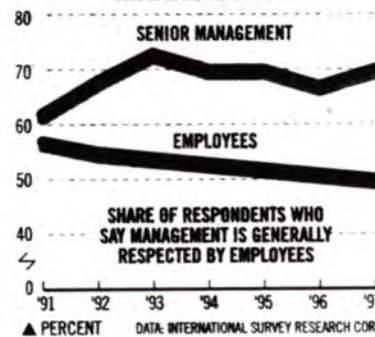
Employers' traditional response to labor shortfalls is to buy employee loyalty with fatter paychecks and job-security promises. But today's no-price-hikes economy forces companies to find new ways to balance labor needs and cost pressures. The question executives now face is how far they may have to go to win over workers who remain scarred by the turmoil of the past decade.

By Aaron Bernstein in Washington

EMPLOYEES REMAIN ANXIOUS...



...AND MISTRUST MANAGEMENT



be off the payroll). They also get a bigger title, a better desk, and a sweatshirt that says: "I'm back." Says Orton: "You can't just treat temps as temps anymore, or you'll lose them. We tell people we want them to work here for years." His approach seems to be working. "MCI called me for an interview the other day, but I probably won't leave here," says Ray Van Allen, an Olsten worker who left Xerox for a three-month stint at U S West Inc. last fall and is now back at the Englewood center.

If employers are so eager to please employees, why do surveys show ris-

Up Front

EDITED BY ROBERT McNATT

TRADE WARRIORS

AN AFRICA BILL'S BUMPY RIDE

THE WHITE HOUSE WAS shocked when South African President Nelson Mandela unexpectedly attacked the Africa Growth and Opportunity bill as "not acceptable" during President Clinton's March trip to the continent.

But in a bit of good news for the Administration, South African officials are quietly



MANDELA:
Change of heart

passing the word that Mandela has reversed course and now endorses the free-trade legislation. The bill—O.K'd by the House but stalled in the Senate—would end trade barriers on imported African clothing and encourage economic liberalization in Africa.

Mandela's criticism, says the U.S., resulted from a misunderstanding of parts of the bill that have since been clarified to him.

Final passage is still not assured, though. Textile interests, fearful of low-cost imports, oppose it. So do some African American legislators. Senator Carol Moseley-Braun (D-Ill.) won't back the bill because she is looking for labor's help in her tough upcoming reelection battle. And Representative Jesse Jackson Jr. (D-Ill.) bluntly says the bill just doesn't do anything for black Americans.

But South Africa is pleased that the U.S. sees Africa as a global economic player. Says Franklin Sonn, its U.S. Ambassador: "This is significant, and it is appreciated." *Paul Magnusson*



AFTERLIVES

THE STREET SIGNS SAID 'GO WEST'

Robert and Caroline Denham, out of a job this year, will rejoin the law firm of

TALK SHOW "While it is possible that we have, in a sense, moved 'beyond history,' we also have to be alert to the possibility that less favorable historical relationships will eventually reassert themselves."

—Alan Greenspan, testifying to Congress about the economy

then rose to become chairman. But now, as they say, the party's over. And Robert Denham, 52, is going home.

In 1997, Salomon was sold to Travelers, which is now set to merge

HOMeward: with Citicorp. So Robert and Denham, out of a job this year, will rejoin the law firm of

Munger, Tolles & Olson in Los Angeles, starting his own mergers and acquisitions practice. He says Travelers' purchase of Salomon was for the best—it needed to be bigger to stay profitable and competitive. But he frets that investment bankers are too deal-driven: "When a compa-

ny is looking for help, investment bankers often aren't the best people to be talking to because they bring a transaction bias."

Denham and his wife, Caroline, will live in Pasadena. As with any good power couple, she has a new gig, too. Caroline, who headed an educational institute at Fordham University, will be president of Pacific Oaks College & Children's School, a single institution. She hopes it can contribute to the national debate on child care. "We would like to be the voice of sanity on children's issues," she says. That might be even tougher than running a Wall Street firm. *Leah Nathans Spiro*

lion but re-neged on the deal after criticism from members. Sunbeam is now suing the AMA for \$20 million.

So some angry does want former AMA Chairman Raymond Scalettar, a Washington (D.C.) rheumatologist, to challenge current chairman Thomas Reardon, a Portland (Ore.) general practitioner and the man they blame for the deal. Scalettar lost a 1993 bid

to lead the AMA by only 25 votes. He is highly critical of the organization's co-branding push, calling the Sunbeam affair "crassly commercial."

Reardon could not be reached for comment. He may yet win, however. Many of the AMA's 294,000 members don't seem to blame him personally. Others just care more about managed care and tort reform. *David Greising*

THE LIST SUMMERTIME, AND ... YOU'RE GROUNDED

Hate airport construction detours? Well, construction is going full tilt at airports across the country this summer. Here's a list of airports with the biggest



BEWARE: LAX terminal

potential nightmares. Avoid the headaches. Use mass transit, and book airport hotels for meetings.

AIRPORT	PROJECT	COST	COMPLETION DATE
BOSTON LOGAN INTERNATIONAL	Terminal expansion; roadway improvement; parking garage, transit connector, and hotel construction	\$1 billion	2000
GEORGE BUSH INTERCONTINENTAL, HOUSTON	Terminal improvements and people-mover improvements	\$200 million	2002
PORTLAND (ORE.) INTERNATIONAL	Expansion of roadways and parking areas	\$105 million	1999
DALLAS/FORT WORTH INTERNATIONAL	Terminal expansion	\$100 million	1998
LOS ANGELES INTERNATIONAL	Terminal expansion and renovation	\$45.1 million	1999

DATA: HNTB CORP.



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1002 Wisconsin Avenue, NW • Washington, DC 20007 • Phone: 202-333-5270 • Fax: 202-728-1192
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40 Wall Street, Suite 429 • New York, New York 10005 • Phone: 212-425-7874 • Fax: 212-968-1412

Democracy in the Balance
Jesse L. Jackson
6-11-98

The sudden death of Nigerian leader General Sani Abacha this week opens new possibility and new peril for that country. We offer condolences to the Abacha family for their sudden loss. Nigeria now stands in the balance, between the threat of a costly instability and the promise of democratic reform. It is vital that the United States and other nations of the world encourage the transition military government to move forward with democratic reform immediately.

Nigeria is a country with the potential to lift the dreams of African people. One fourth of all Africans are Nigerian. The nation's political and economic influence extends to all corners of the continent. Nigeria produces 10% of all of the oil production of OPEC, the oil producers' cartel. The economies of Nigeria and South Africa drive the African continent's economies. Africa will rise or fall with them.

For fourteen years, the Nigerian military has maintained a monopoly of political power in Nigeria. During this time, corruption has grown. Poverty has spread. People's aspirations have been dashed. Regional and ethnic tensions remain, exacerbated by poverty and the lack of political expression.

General Abacha had committed the military to make a transition to an elected civilian government by October 1. But he jailed many of Nigeria's independent leaders. Independent parties were suppressed. Abacha was nominated as the presidential candidate for each of the five parties contesting the election scheduled for August 1. In April, Nigerians signaled their disapproval by boycotting the election Abacha had scheduled for the civilian legislature.

Now the sole presidential candidate is no more. The transition military regime of Nigeria - led by Maj. Gen Abdusalam Abubakar - faces a major choice: whether to move down the road of real democratic reform or to seek to maintain the military monopoly.

It is vital that the world community encourage Nigeria to move to democracy now. UN Secretary General Kofi Annan immediately offered assistance to Abubakar, encouraging him to "proceed with a peaceful and democratic transition to civilian rule." The Clinton Administration reiterated its support for a "genuine transition to civilian rule."

The tests for that transition are clear. Democracy requires an open process, including the release of political prisoners, freedom of the press, freedom of speech and assembly, and open, free and fair nonviolent elections. Respect for basic human rights - the rule of law, due process, freedom of association, the right to organize - is essential if democracy is to take root.

The United States must speak clearly at this moment. We consume 40% of Nigeria's oil production. We must make certain that the Nigerian military understands that we support the Nigerian-people's demand for freedom. That we will not trade human

Executive Committee

Rev. Willie T. Barrow, Co-Chair of Board of Trustees • Angela Jordan Davis, Co-Chair of Board of Trustees
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rights for oil. The United States must insist that the military government not be given another extended grace period to implement true democratic reform. We must make clear that repression of the Nigerian people's democratic hopes will have harsh bilateral and multilateral consequences. And that pursuit of the path of democratic reform will produce a stronger relationship, in which we can provide significant help in righting the Nigerian economy.

The Nigerian people demand and deserve democracy now. Too many years have passed and too many lives have been lost for the people receive anything less. Their desire to breathe free cannot be deferred again.

The new regime will be tested immediately. Human rights groups are calling for the release of political prisoners. Pro-democracy activists are organizing marches. Workers are seeking rights. The Abubakar government can open the door to freedom, or find itself struggling against the power of hope. The latter course would be truly destructive. Only the former offers a way to move forward.

History opens opportunity which can be grasped or lost. Nigeria now faces a new opportunity. The stakes for Nigeria's proud people and for all of Africa are very great. The United States should not stand mute as the new leaders weigh their options. We should stand clearly for democracy and human rights in Nigeria. If we stand for democracy there, we can expand the promise of liberty to all of Africa. If we do not press firmly for democracy in Nigeria, we cannot stand for freedom anywhere in Africa.

~ [Republican congressional leaders should add the voice of the Congress to that of the White House. A resolution should be passed urging the military to implement true democratic reforms and sponsor free elections to elect a civilian government. The Nigerian people will determine their course. But at this critical moment, the US should speak with one voice, our values and our interest made clear.

Handwritten:
K. Allen
F. H.
M. C. M. J.
B. C.



at the main st. theatre
PO Box 42096
Portland, OR 97242-0096

THE PRESIDENT'S 1998

6-16-98

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THE PRESIDENT'S 1998

6-16-98

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the reply.

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904 S.W. Main St.
Portland, OR 97205

Phone:

503-242-0080

THE PRESIDENT

6-16-98

June 13, 1998
Portland, Oregon

Dear President Clinton,

It's an honor and great pleasure to be invited to meet you this morning. This is the closest I've ever been to anyone who I believe has the ability to effect change in this country.

Though I've been invited here as a theatre director, the one message I want to communicate to you is to fight the gun lobby and enforce stricter gun control, beginning with shutting down gun shows. After living through the past month in the shadow of the Thurston High School tragedy it is more evident than ever that accessibility to guns is the greatest cause of this past year's rash of school shootings. Yes, a lot can be said about troubled youth and your proposals for smaller classrooms and better after-school programs are essential. But gun shows are rampant throughout this country, no restrictions apply and as long as guns are so easily gotten, tragedies like Thurston High School will continue all over this country.

Follow Australia's and Scotland's lead - destroy the weapons, enact stricter gun control. Don't let Charlton Heston and the gun lobby bully you. Shirley Temple just spoke out against him - you can't ask for a more appealing ally than her!

Many people are too afraid to speak out against the gun lobby. Be a leader and show us the way.

Thank you for your strength and courage.

Truly,

Jane Unger
Artistic Director
Profile Theatre Project

SUBSCRIBE NOW!

Things to know:

- ☛ The first Thursday of every production is a Preview performance.
- ☛ Show times for *Wings* and *Indians* are Thursday through Saturday at 8 pm, Sunday at 3 pm.
- ☛ Special showtimes for *Road To Nirvana*! Thursday and Friday at 8pm, Saturday at 7pm and 10pm, Sunday at 3pm.
- ☛ Post-show discussions will be available after the second week's Sunday matinee.
- ☛ Half-price student rush tickets are available at the theatre 1/2 hour before show time.
- ☛ Call us for special senior and group rates!

Subscribe and save 20% on
regular ticket prices

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WINGS

January 29 - February 22

THURS	FRI	SAT	SUN
29	30	31	1
5	6	7	8
12	13	14	15
19	20	21	22

ROAD TO NIRVANA

March 19 - April 12

THURS	FRI	SAT	SUN
19	20	21	22
26	27	28	29
2	3	4	5
9	10	11	12

INDIANS

May 14 - June 7

THURS	FRI	SAT	SUN
14	15	16	17
21	22	23	24
28	29	30	31
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I want to tell you about an exciting new presence on the Portland entertainment scene: Profile Theatre Project, a truly unique theatre company opening January, 1998. This season and every season we will celebrate the playwright's contribution to live theatre by featuring the works of one writer.

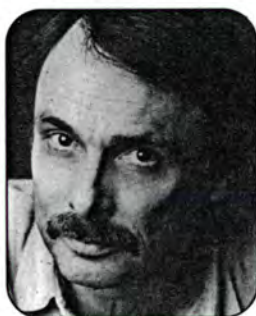


We begin this thrilling journey with three plays by Arthur Kopit, one of America's most versatile, influential, and astonishing playwrights.

I invite you to join us as we embark on this singular adventure in live theatre.

Jane Unger - Artistic Director

I am deeply honored and singularly excited that Profile Theatre Project has chosen to produce three of my plays in succession, for my work has never been presented in this way before. What will their cumulative impact be? I



cannot wait to find out, not only by seeing the individual productions, but by meetings with subscribers and students as well. I have a feeling I am about to discover something about my work that I never knew.

Arthur Kopit

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PORTLAND, OREGON 97242-0096
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Join us for a singular adventure

AN INVITATION TO

soar
with
us...



AS WE TAKE OFF WITH "WINGS"!

Wings

January 29 through February 22
 starring Gaynor Sterchi and Jean Miller

We are proud to launch our first season with *Wings*, a riveting and lyrical exploration of language and love.

Emily, a former aviatrix, struggles with the aftermath of a stroke. Speech eludes her. Words shift in meaning. She finds salvation in her memories of flight and the help of a passionate nurse.

This stunning drama was a 1978 Tony nominee for Best Play.

"Supremely evocative" - Clive Barnes.

Road to Nirvana

March 19 through April 12

Hollywood is scathingly skewered in this uproarious, pitch-black portrait of three producers trying to secure the rights to a red-hot project.

The project? *Moby Dick* re-imagined as the screen auto(erotic)biography of a pop/sex goddess named Nirvana.

Satirizing a culture (ours, of course) obsessed with money and fame, this play is wicked, profane and very, very funny.

"A work of inspired parody" - *The New Yorker*.

"Hilarious!" - *The Village Voice*.

A PORTLAND PREMIERE.

Hooray for
HOLLYWOOD

Indians

May 14 through June 7

At the end of his career, Buffalo Bill Cody tries to revive his world-famous Wild West Show. But he is haunted by the ghosts of the Native Americans that he helped annihilate.

Daring, exciting and wildly theatrical, this electrifying comedic drama looks at a dark slice of American history.

A 1969 Tonynominee for Best Play.

"It may well be the Great American Play
 that everyone has been waiting for."

The Philadelphia Enquirer.



3 CONTEMPORARY CLASSICS BY ARTHUR KOPIT

SHOW DATE	SEE US FOR NIRVANA ONLY 7 or 10 pm	NUMBER OF SUB-ScriP	PRICE PER	TOTAL
Wings			\$40 PER SUB-ScriP	\$
Road to Nirvana				
Indians			\$30 PER TKT	\$
Gala Suannah Mars fundraiser	Nov. 16			\$
Tax-deductible Contribution				\$
TOTAL				\$

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 Main Street Theatre
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 (on the corner of park & main
 in downtown portland)

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THE PRESIDENT
6-16-98

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Norma Paulus
STATE SUPERINTENDENT OF PUBLIC INSTRUCTION
June 13, 1998

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The Honorable William J. "Bill" Clinton
President of the United States
1600 Pennsylvania Avenue NW
Washington DC 20500

Dear President Clinton:

I am pleased that you spotlight heroes as you promote public education. I have a nominee: Bill Duffy, a Thurston High School (Springfield, Oregon) health occupations teacher who played a critical role following the shooting tragedy at Thurston High School on May 21, 1998.

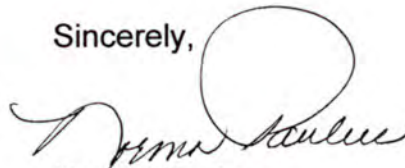
Mr. Duffy responded immediately after the shooting by assisting the wounded and prioritizing those needing medical help. He instructed students on performing emergency care. His heroism was reported in the Eugene *Register-Guard* newspaper (enclosed).

There is more to this. Mr. Duffy is a leader in Oregon's effort to reform education by connecting rigorous academic learning with application. For instance, his health occupations students two years ago held a disaster drill at the school to demonstrate how health professionals should react after an explosion. In fact, Bill is a pioneer. He is one of a handful of registered nurse-teachers in the state.

He was prepared. He prepares his students. Mr. Duffy would be a wonderful educator to put in the national spotlight.

Thank you for your consideration and thank you for your support for the community of Springfield.

Sincerely,


Norma Paulus

Dan Burkhardt:
Please coordinate
the reply.

Enclosure

KAREN McCOWAN

Teachers put lives on line

THEY RAN TOWARD the gunfire, not away from it.

They were the other heroes in last week's shooting, the Thurston High School teachers and other staff who ran into the cafeteria, some while students were still pouring out.

I have the names of nearly 20 of them: Dale Bachman, Gary Bowden, John Connolly, Dick Doyle, Bill Duffy, Kevin Durfee, Wanda Grant, Bill Harris, Lynn Hellwege, Kevin Hillman, Scott Johnson, Shannon Leith, Jim Montgomery, Doug Piquette, Sharon Plueard, Bill Smith, Saylor Smith and Don Stone. There are certainly others.

They, like the Thurston students who wrestled the gunman to the ground, deserve the thanks of a grateful community, never the kind of vicious attack Bowden got in a letter this week. It read, in part: "You are one dumb ass.

Typical of a public school teacher. It's too bad that you and (slain student) Mikael Nickolaussen couldn't have changed places."

The letter was prompted, Bowden said, by his comment just after the shooting, that "We ought to disarm. If this isn't a reason, I don't know what is. The privilege of having a gun



is not worth this."

But his malevolent correspondent was right about one thing: Bowden's action last week was typical of the public school teachers at Thurston High School, people who daily invest their lives in other people's children, who grow to love them, and who would lay down their very lives to protect them.

"You've really got to take your hat off to them," Springfield Police Capt. Jerry Smith said. "These teachers didn't know the shooting was over when they ran into that cafeteria. Because of their tremendous caring for those kids, they were willing to put their own lives on the line."

Bowden, who is also Thurston's wrestling coach, did not have to hear gunshots to know exactly what had happened shortly before the start of school last Thursday. Hearing a scream, he looked out the window of his classroom to see students pouring out of the cafeteria.

"Kids will run to a fight," he said. "They only run away from something they fear. I knew it was a gun."

Nevertheless, he sprinted across the courtyard in a matter of seconds, becoming one of the first faculty members to burst through the cafeteria doors.

"Jake (Ryker, one of his wrestlers, who tackled shooting suspect Kip Kinkel as he paused to reload his semiautomatic rifle) saved my life. I came into a situation that was basically over. Otherwise, I would have been standing right in (Kinkel's) line of fire," Bowden said.

Health Occupations teacher Bill Duffy *did* hear the shots. "The first two shots, fired out in the hallway, got my attention," he said. Within seconds, the steady pop of rifle fire followed, "like firecrackers on a string."

DUFFY, WHO'S ALSO a nurse, dashed toward the cafeteria as well. At the door he met a student, Travis Weaver, coming out with a rifle.

Duffy remained calm, never fearing that Weaver was the shooter.

"His demeanor when he came out that door was of a young man looking for the first adult he could find because he had something to get rid of," Duffy said.

Smith, the police captain, also credited Duffy and his health occupations students with immediately and effectively initiating triage and emergency medical care, providing lifesaving first-aid and saving precious assessment time once paramedics arrived to transport the injured.

Thurston has one of the strongest health occupations programs in Oregon; Duffy is one of only two state-designated master teachers in this field, designed to prepare students for careers in the burgeoning health care industry. The school has an active Health Occupations Students of America chapter, and Duffy said an initiative by some HOSA students two years ago proved providential in preparing Thurston for last week's disaster.

At the suggestion of several student leaders that year, his HOSA kids designed and oversaw a full-scale disaster drill on the Thurston campus. That simulated catastrophe, an explosion in a chemistry lab, proved a dress rehearsal for last week's real-life disaster, from securing the campus and triaging and treating the wounded to notifying family members and handling the press.

"Bill Duffy was an inspiration," metal shop teacher Kevin Durfee said. "He conducted triage very professionally at a time when I certainly wasn't sure what to do. Within minutes, he had me making a list of victims" — something Durfee said he would never have thought to do but which proved crucial once terrified parents began arriving.

"There was this overwhelming feeling of calm that was almost surreal, almost eerie," Bowden said. "We were so lucky to have Bill there."

Durfee agreed. "There were lives saved, I

Turn to McCOWAN, Page 4B

OVER →

McCOWAN

Continued from Page 1B

know, because of the efficiency here in the first four or five minutes before the ambulances arrived," he said, pointing as an example to the mouth-to-mouth resuscitation immediately started on student Teresa Miltonberger, still alive Friday despite a critical gunshot wound to the head.

Duffy passed the credit on to Thurston students, many of whom began caring for their injured classmates even before he got around to assess their conditions.

"I will never, ever forget the complete oneness, the tender hearts of each student and teacher in submitting to direction," Duffy said. "There was no hierarchy, no, 'I'm the teacher here.' Everybody did whatever needed to be done, no matter how large or how small."

The selfless spirit was epitomized, he said, by one incident in particular.

"This young man was lying on the ground, wounded, and this little gal was sitting there next to him, taking care of him," he recalled, briefly choking up. "I asked her if

she would stay with him, and let us know if his condition changed, and she said yes, she would. Then I looked down and saw for the first time that she had a chest wound. She'd been shot, too!"

When the ambulances began to arrive, it was in waves, not all at once. Though they surely wanted nothing more than to get out of that cafeteria, even injured students urged that others they were worried about be taken first.

Duffy also credits former Thurston principal Wayne Hill, who championed the health occupations program and the 1996 on-campus disaster drill.

"We were educated," he said. "We were prepared. There's a peace of mind in knowing we did the very best we could. It allowed us to regain some feeling of control in a situation that at first felt uncontrollable."

To contact Karen McCowan, call GuardLine, 485-2000 and enter category 3512.

FAXTHE PRESIDENT HAS BEEN
6-16-98

Date 06/09/98

Number of pages including cover sheet 1

TO: The President
The White House

Through: Nancy Hemreich

Office
Fax 202-456-6703FROM: Bob Rose
326 Bayberry Lane
Westport, CT 06880

Home 203-222-8800

Fax 203-227-4447

Office 212-272-2822

Fax 212-272-7817

REMARKS: ☐ Urgent ☒ For your review ☐ Reply ASAP ☐ Please Comment

Mr. President,

As with your previous trip to Westport on March 10th, the post trip reaction by Connecticut press to yesterday's trip has been exceptional. I have attached the front page photo and article of today's Connecticut Post entitled, "Clinton Wows Crowds." Yvette and I were once again honored to have co-hosted this visit to benefit Barbara Kennelly's campaign and are extraordinarily pleased that it went so well. Your kind words and special attention at the L were not only greatly appreciated by family and me but most especially by Donna and her two boys who are experiencing difficult times. Steve Grossman recently appointed me Chairman of the National Finance Council. In this regard, I plan to invite Donna to some of the upcoming DNC events.

Once again, thank you for your continued and constant friendship.

Best Personal Regards,

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Smith
COSDan Burkhardt
Please coordinate
the reply.

Post 6/19/98 Front Page

CLINTON VISIT WOWS CROWDS



PH1 Noel/Connecticut Post

thrills Norwalk residents as he stops to shake hands after leaving a fund-raiser hosted by Westport's Martha Stewart.

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P. 002



President Clinton, right,

CT Post 6/9/98
Front PAGE - Continued

Masterful president has personal touch

By MARIAN GAIL BROWN
Staff writer

WESTPORT — Sidewalk political pundit Rhoda Berke staked out her position behind the orange sawhorses early Monday morning for a glimpse of President Clinton and his motorcade. From there, she hurled advice to the visitors — "tell Bill we want to see him."

In the end, Berke got her wish — and then some. When the president's motorcade pulled out of Martha Stewart's production studio, Berke began chanting: "Bill, Bill, Bill." Soon the crowd behind her started chanting. Little children sitting on their parent's shoulders squirmed and squealed. Someone stuck their fingers in their mouth and let out a high-pitched whistle. Then Berke's dog, Cassidy, started braying at the sun.

See LITTLE on A6

Little boys inspired by Clinton attention

Continued from A1

It's hard to say which of these prompts got the president to halt his limousine and jump out with U.S. Rep. Barbara Kennelly on his heels. Clinton strolled up to the crowd, talking with the Democratic congresswoman who wants to be governor, gesturing with his hands as he hammered away at his points. When he reached the orange sawhorses, the conversation stopped.

"Hello ... hello, how are you? ... hi there..." hand over hand he reached out and seemed to grasp everyone in the crowd, focusing on each person for a couple of seconds as though that man, woman or child is the only one there. Aerobic listening. Then he moved on — to the next outstretched hand.

"I don't care what anyone else says," Berke told Clinton. "Your personal business is your own business. You have a right to some privacy." The inference to White-water prosecutor Kenneth Starr was clear. Clinton locked eyes with Berke, smiled and gave her one of his "what-can-ya-do, it comes with the turf" looks. Then he patted her golden retriever. "Beautiful dog," he told her. "What's his name?"

Cassidy.

"Cassidy? That was my mother's maiden name. When I was in Ireland ..." and he told her about the genealogist who traced part of his family's Irish roots. In fact, the president told Berke he even has a picture of the first Cassidy family homestead.

Clinton shifted to someone else. Berke appeared stunned.

"He is just very cool. I am so inspired. I am going to campaign for someone," said Berke, a casting agent who specializes in finding

Godzilla and in the most grown up voice an 8-year-old can muster asked: "Mr. President, do you know 'Godzilla?'" Clinton smiled and told Brian that he did. "I shook his hand, too," Brian boasted to reporters of his presidential encounter. "It's squishy," he said.

Meanwhile, behind the sawhorses outside Stewart's production studios, Teddy W. Youngling waited for a glimpse of the president.

"If I weren't here, I guess I'd be doing long division at school," the 9-year-old boy explained. "I feel very lucky being here and excited, too," Teddy said. In fact, "I feel like I'm going to throw up."

Of course, everybody standing within 3 feet of Teddy took this as a cue to take a giant step away from the third-grader.

While guests at the \$5,000-a-plate luncheon dine on peachwood smoked salmon — flown in from Alaska — baby artichokes, oven-cured tomatoes and braised fennel, tarragon chicken-salad tea sandwiches and strawberry shortcake, the onlookers trying to spot Clinton are fasting. But they didn't mind.

"I don't want to take the chance that I'll miss him leave," said Suzi Miller, a special education teacher from Daniels Farm Elementary School in Trumbull who arrived moments after Clinton.

Amid the Democratic revelers and Clinton fans, Miller seemed out of place.

"I would like to give him a moral compass because I think he's lost his," Miller said. "It happened a long time ago. I think he lost it early in his life."

As Clinton moved through the crowd for the last time, Karen DeMattio pointed to her eldest son

everyday-looking people for commercials. Exactly who she might campaign for, Berke doesn't know. Just that she will.

Hours earlier, Clinton's 21-vehicle motorcade cruised through a Norwalk neighborhood that borders Stewart's property. Spray-painted bed sheets and cardboard signs read: "WELCOME TO NORWALK PRES. CLINTON."

The signs and the eager, expectant faces behind them were irresistible. Clinton stepped out of his limousine, Secret Service detail in tow, and shook hands with about 20 neighborhood youngsters.

Brian Vincent held up his toy

Matthew, whose bedroom is decorated with Clinton memorabilia and pictures.

"Mr. President." DeMattio called out. "He wants to be president when he grows up."

Matthew beamed. So did Clinton. He gave the 7-year-old a high five. Then he slid on to the next person.

So, who knows? Maybe this is a pivotal moment in Matthew DeMattio's life? Perhaps, it is THE event that he one day tells his constituents launched his political career.

■ *MariAn Gail Brown can be reached at 330-6288.*



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District

Handwritten: Maria E. Fy /
Newspaper.
June 13, 1998
Initials: BS

My name is Mary Kuhl and I am a Recreation Supervisor for Willamalane Park and Recreation District here in Springfield, Oregon. Thank you for taking the time to come to Springfield. I am disappointed that I was unable to meet you in person, but I understand there is a limited number of citizens you can meet in situations such as this. I want you to know what a great community this is to work in and what a difference I feel we can all make here and throughout the nation, even in the little things that we do.

Handwritten: Copre
Echar
COS

On Memorial Day, just four days after this tragedy took place in our community, I sat down to put my thoughts on paper. I want to share some of my thoughts with you now that you have been here in Springfield and have seen this wonderful community. Over the past several months, the nation has been saddened to see children resort to violence to solve what seems to be hopeless situations for themselves. I have cried for the people of Paducah and Jonesboro and remember thinking, "they were just babies", and "someday I will have to send my son off to middle school". But this tragedy in our community has touched me in a different way. This is the community in which I work and live. I touch these children's lives in this community on a daily basis. I am in a situation to make a difference, yet I am no different than anyone else in this nation, we all have the ability to make that difference.

Our world's children are our gifts. It is our job as human beings to treat these gifts preciousely. We need to raise them with love and respect and they will give back to us love and respect tenfold.

Seeing tragedy on the television or reading about it in the newspaper is one thing, but feeling tragedy is very disheartening. For the past three weeks, Springfield, Oregon has felt tragedy. We are all healing and this healing process has brought this community together. I wish you could have seen the memorial wall that was erected in the hours and days following the shooting. You would have felt the hope that we have all felt. This community wants to change things so that this will not only never happen here again, but so that it will never happen ANYWHERE again. They want to see children be children for as long as they can.

I want you to know that I can make a difference in my position here as a Community Recreation Supervisor for Willamalane. I will do my small part to make this great nation be an even better place to live. We need you to continue to support children and programs for children when they are little one's. Let's not lose sight of the love and respect and the nurturing that can make a difference as children grow up. Let's not forget to pray for all the kids in this world.

Thank you for coming to Springfield, Oregon. Thank you for showing your support for this healing community. Thank you for doing your part for children. As I find ways to do more, I will be in touch.

Sincerely,

Handwritten signature: Mary Kuhl
Mary Kuhl

Dan Burkhardt:
Please coordinate
the reply.

THE PRESIDENT WAS HERE

6-16-98

June 2, 1998

Dear President Clinton,

We of *the Pony Express* would like to send our thanks and appreciation for your support in the publication of the May 29, 1998 issue of our school newspaper. Without your help with our memorial issue, *the Pony Express* would not have been the success it turned out to be.

You helped us produce a quality newspaper that we will be proud of for a very long time. We are very proud of the issue and you should be too because it's your paper too—it's everyone's paper.

We are enclosing a copy of the issue.

Thanks again.

Sincerely,

Loni Wilson

Loni Wilson
Editor-in-chief
The Pony Express
Thurston High School
333 N. 58th St.
Springfield, Oregon
97478

*My - but we
received help
in Springfield etc*

RG

Dan Burkhardt:
Please coordinate
the reply.

Memorial Issue

Don't the EXPRESS



of David

Thurston High School • Vol. XXXIV • No. 13 • May 29, 1998 • Springfield, Oregon

Community unites

Editor's note: The following stories were written in response to the shooting incident on Thursday, May 21, 1998. Freshman Kipland Kinkel allegedly entered the cafeteria at about 8 a.m. and opened fire on Thurston students.

◆ MAX BARKER
Front Page Editor

In the aftermath of tragedy, it is easy to dwell on the negative. One glance at the fence in front of Thurston, however, provides a living testimony of the kindness and generosity of the human spirit. It's not just a heap of flowers and poetry—it's a tale of how one community led together in a time of need and of how that community's goodness was recognized by citizens from across the region, all across the state, all across the nation and all across the world.

Red and black ribbons now decorate the clothing of students, community members and national leaders; they have become signs of mourning and hope. In addition, the national fund-raising organization, Instructional Assistance Services (IFS) has donated 1,460 *PRIDE* pins, more than enough for everyone in the student body.

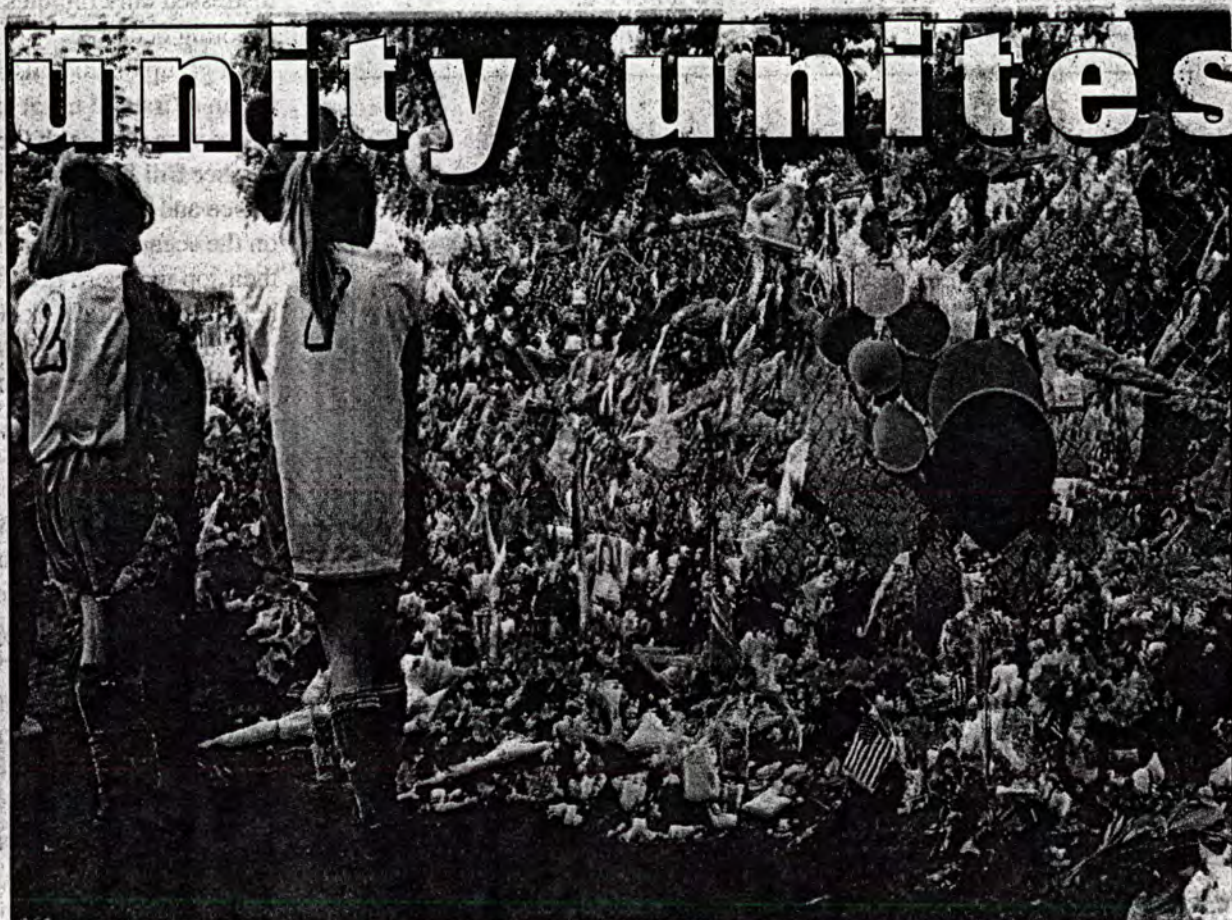


Photo by David Janssens

from Governor Kitzhaber

help the local law
enforcement
efforts.
I'd like to ask
citizens take a
moment of prayer in their
homes and their
schools.
I ask that all
of you, at this
time, not just to
watch coverage of this
personally connect
with this tragedy,
but to help what it
means to the community and

for our children and for our
future. And perhaps most
importantly, what it implies
about our own individual
responsibility to assure that this
kind of thing doesn't happen in
the state of Oregon.

"But today, the primary
charge is one of healing and one
of mourning—to try to reach out
and offer support to the victims
and their families and their
friends. And I would ask that all
of you do your part."

Legislators express concern

exclusive interview
Express Wednesday
with Peter
I've hung around
him and at other
times a number of people
have been saying 'My kid
and there was no
extraordinary. It's
difficult for people to express

their needs in a way that can't be
ignored, and I'm going to try and
make certain that my colleagues
don't ignore it in Washington."

Senator Ron Wyden, who
also participated in the interview,
said, "It's really obvious that
Springfield wants to make clear
that the community can get
through this. This is a commu-
nity with so much resilience. We
saw that when Peter (DeFazio)
and I went to the hospital
yesterday and saw people from
all over town who were there for
people in serious medical
condition. I think when we see
that it makes us stronger; it
makes us see that they're going
to work so hard to forget about
everything else except dealing
with this as a community and it
brings everybody's spirits up."

Photo by David Janssens



A message to Thurston from President Clinton

To the students of Thurston
High School:

As you return to class this
week, I want you to know
that you are in my thoughts.

You have had to endure a
shocking and senseless
tragedy, and the hearts of all
Americans go out to you,
your families, and your
community.

Violence in our society
affects us all, and the death
of your classmates is a
heartbreaking loss—not only
for the Springfield commu-
nity, but also for our entire
nation.

I promise you that my
Administration will continue
to work hard to give parents
and communities the tools
they need to protect you and
all our young people and to
keep our schools safe.

I am proud of each of you
for the courage you have
shown in returning to
school, for your faith in one
another, and for coming
together as a school commu-
nity to comfort the families
of your classmates.



Photo courtesy of The Register-Guard

As you struggle to put
this terrible experience
behind you, I want you to
remember that you are
strong, bright, generous
young Americans, with
much to give others. I hope
this coming summer will be
a time of peace and healing
for you and the people of
Springfield.

Mrs. Clinton and I will
be keeping you in our
thoughts and prayers.

Bill Clinton

THE WHITE HOUSE

WASHINGTON

June 15, 1998

6-16-98

Copied
Berger
ccs
NSC W/DeskACTION

MEMORANDUM FOR THE PRESIDENT

FROM: SAMUEL BERGER (K) For

SUBJECT: Arms Control Speech by Senator Nunn

Purpose

To compliment Senator Nunn for his June 9 arms control speech (Tab B).

Background

Sam discussed this speech with you during the State Dinner for President Kim. While expressing strong support for our efforts to bring START II into force and negotiate START III, commending our stewardship of the Nunn-Lugar Cooperative Threat Reduction Program and hailing the issuance of PDD-62 and PDD-63, Sam's main theme is that more radical approaches are required - that is, "we must think out of the box."

Employing vintage Sam Nunn technique, he stops short of offering specific proposals and instead poses the "difficult questions" he believes decision-makers should ponder, including:

- ✓ • Should we establish a joint missile attack warning system with Russia? (We are exploring this with Russia in mil-to-mil channels.)
- ✓ • Should we negotiate mutual and verifiable "de-alerting" measures with Russia? (An interagency task force is now studying various options that might be pursued consistent with START II/III.)
- ✓ • Should we expand the U.S./Russian Nuclear Risk Reduction Centers (which Sam and John Warner initiated in 1985) to include jointly manned teams working on WMD proliferation problems? (We have chosen to pursue common WMD

cc: Vice President
Chief of Staff

nonproliferation approaches with Russia in the context of the NATO-Russia Permanent Joint Committee (JPC).)

- Should we join with Russia (and perhaps China) to offer India and Pakistan a jointly manned center for missile attack early warning using U.S. satellites and radars? (What we want, of course, is that neither Pakistan nor India deploy its missiles. If we fail, though, this idea is something that we would need to study.)

RECOMMENDATION

That you sign the letter at Tab A thanking Sam for stimulating our thinking.

Agree!!

Attachments

Tab A Letter to Sam Nunn
Tab B Nunn's Arms Control Speech

THE WHITE HOUSE
WASHINGTON

Dear Sam:

Thanks for sending me a copy of your excellent June 9 speech at the Defense Special Weapons Agency conference in Philadelphia. As always, you have stimulated our thinking and prompted us to consider a host of "out of the box" options. I'll make sure our experts at State, Defense and NSC see your remarks.

I enjoyed discussing these ideas with you at the State Dinner and I appreciate your efforts in this area.

Sincerely,

Bill

The Honorable Sam Nunn
King and Spalding
1730 Pennsylvania Avenue, N.W.
Washington, D.C. 20006

*I enjoyed our
talk and the
speech - thanks.*

SAM NUNN
DEFENSE SPECIAL WEAPONS AGENCY CONFERENCE
June 9, 1998

Thinking Anew - Arms Control and The Revolution in Military Affairs

Thank you, General Curtin--General Shali--Admiral Macke--Distinguished guests. My central point to this gathering of experts today is as follows: As we discuss, debate and evaluate our revolution in military affairs, don't we also need to begin a revolution in our thinking on arms control -- both in concept and definition?

Let me begin by giving you a simple quiz: Are these scenarios real or fictional:

Scenario 1. An important region declares independence, claims ownership over the nuclear forces stationed on its territory, and requires nuclear commanders to swear allegiance to the new state. The Russian General Staff kicks into high gear, dispatching caravans of special trucks and trains to retrieve thousands of tactical nuclear weapons from the breakaway region and transporting them to storage facilities in a more secure region of Russia. It also prepares for the cumbersome task of deactivating strategic nuclear missiles in the new republic and moving their warheads back home.

The new state, however, thwarts the Russian effort. Its militia surrounds the nuclear weapons sites and blocks access to the highways and railways leading out of the country, preventing Russia's elite nuclear weapons custodians from moving their cargo. Meanwhile, the new regime undertakes preparations for seizing control of strategic missile forces. The Russian General Staff alone holds the special unlock codes needed to fire the missiles, but the locking devices are actually built in the breakaway state, and given time, it could simply install and code its own devices. The Russian military estimates these steps could be completed in a few weeks, at which time it would lose launch control over these missiles unless it acted quickly to sabotage the installations or regain physical control through large-scale military intervention. Real or fiction?

Scenario 2. Disloyal political and military figures topple the existing Soviet regime placing the President under house arrest. The conspirators include

the defense minister, head of the federal intelligence branch, chief of the General Staff, and a group of hard line nationalist politicians. The coup plotters declare a nuclear alert for all forces. The launch codes remain in the hands of the military, but the political turbulence splinters the military. The chain of nuclear command is broken, compromised, and confused. Real or fiction?

Scenario 3. Troubling blips suddenly appear on the screens at radar sites across northern Russia. One or more missiles apparently have been launched from an area of the Norwegian Sea known to be routinely inhabited by U.S. and British strategic submarines capable of hitting Moscow with hundreds of nuclear warheads in 15 minutes. The early warning center flashes a missile attack warning to the Russian president and his top nuclear advisors. The General Staff alerts the missile commanders across Russia to begin launch preparations. A countdown to impact begins as the radars and satellites continue to track the trajectory of the threatening objects. Russia's main retaliatory option calls for the President deciding whether or not to launch no later than ten minutes after an enemy missile attack. Two minutes before the deadline for rendering the fateful decision, the senior duty officer at the warning center informs Russia's President that the missiles' flight path appears to pose no threat to Russia after all. Days later, the Russians find a misplaced U.S. notification of a satellite launch. Real or fiction?

Scenario 4. A computer hacker who called himself the "Phantom Dialer" seizes control of important computer networks around the world -- at universities, corporations, banks, federal agencies and military facilities -- including top secret weapon research sites. As the FBI computer crime squad launches a major investigation, questions and speculation are rampant. Is the hacker a spy, a foreign agent, a saboteur or a thief? When law enforcement finally burst into the Phantom Dialer's house in Portland, Oregon, they find a 20-year old youth, severely brain damaged by viral hepatitis. He lives with his father and his bedroom is littered with piles of paper, mounds of dirty laundry, rotting food and lumps of dog feces.

His fingers are gnarled like an old man from typing on the computer 20 hours a day. The lenses on his glasses are covered with fingerprints, oil and dirt, and by the pungent odor, it is clear that he had not taken a shower for weeks. It is clear to the arresting officer that no jury in the country would convict a socially, mentally and physically handicapped kid for sophisticated computer crimes. The

decision is made by the FBI not to prosecute, but instead, to keep the story quiet. Real or fiction?

Scenario 5. Two hackers (Datastream Cowboy and Kuji) go through computer systems at sites in Asia, South America, Mexico and Latvia before gaining "root control" of the computer system at the U.S. Air Force Rome Laboratory, and from there, launching successful penetration at businesses and government facilities in America and around the world, including the South Korean nuclear agency. Real or fiction?

Scenario 6. Libya decides after Desert Storm that the U.S. is too sophisticated and powerful to confront, even with chemical, nuclear or biological weapons. The Libyan Intelligence Agency begins a high priority interview process with young people who have computer skills. By early 1992, the Libyan Intelligence community has chosen 25 of their best and brightest computer geniuses and given them an assignment -- carefully and methodically analyze the critical components of the U.S. economy, including telecommunications, energy, finance, transportation and emergency services, for their vulnerability to cyber attack. Give us a quarterly report on your ability to plant computer germs, confuse, interrupt and/or bring down computers and key nodes controlling America's critical infrastructure by city or by region. You will be given all the resources you need. The future of Libya depends on your skills. You must be ready to implement your plan by the year 2000. Real or fiction?

Scenario 7. With help from insiders, a criminal organization breaches the physical security for small tactical nuclear weapons and spirits them out of Russia selling them to terrorists supported by Libya and Iran. Meanwhile, unpaid personnel within Russia's sprawling complex of facilities run by the Ministry of Atomic Energy succumb to temptation and sell weapons-grade fissile materials to a criminal organization. A nuclear bomb is smuggled into a U.S. city and another one is on the way. Real or fiction?

Scenario 8. Two countries, with extreme religious and historical animosity, who have fought three recent wars, explode nuclear tests within days of each other. Neither has weapons which could survive a nuclear first strike. Neither has a sophisticated warning system. Neither has fail safe procedures or PAL devices. Neither has adequate command control or communications. They have a low level

civil war going on over disputed territory. Both frequently accuse the other of terrorist attacks. A bomb goes off in a train killing many innocent people.

During this period of increased tension, a top General reports to the Prime Minister, "Our human sources tell us an attack against our nuclear facilities is imminent. Our top military leaders are unanimous, Mr. Prime Minister. We must launch a defensive nuclear attack against them now or lose our weapons and our nation." Real or fiction?

The answers: Scenarios 1, 2, 3, 4, and 5 have already occurred. To the best of my present knowledge, Scenarios 6 and 7 are figments of my imagination. Scenario 8 is unfolding before our eyes each day. My message --

Our world has changed -- we must think anew.

Today, interconnected vital national functions such as telecommunications, energy, pipelines, transportation, finance and emergency human services -- all accessible through public computer networks -- provide a target-rich environment for terrorists, criminals, pranksters, malicious hackers as well as sophisticated state-directed computer experts.

The United States, indeed the world, is currently undergoing not only a military revolution, but a threat revolution. Both are related to the information revolution which poses an extraordinary set of new opportunities and challenges.

My main point today -- with the world changing all around us, we must think out of the box.

A few assertions and then I will close by posing a few more difficult questions for this audience, filled with top leaders and experts.

First, the world has never before had an empire collapse still containing over 30,000 nuclear weapons, tons of chemical and biological weapons, thousands of missiles, and scientists who know how to make these weapons, but don't know how to feed their families.

Thanks to many in this room, we have made amazing progress with the Cooperative Threat Reduction program in preventing three of four successor states with fingers on the trigger from retaining their nuclear weapons. We have made great progress in helping to destroy thousands of missiles and bombers, in dismantling thousands of warheads and in helping Russia and other successor states begin to more accurately safeguard, transport, inventory and account for their warheads and their nuclear materials. As you know, this program is revolutionary in concept and implementation, but political developments here or in Russia could disrupt it with short warning. We have miles to go before we sleep.

Today, the biggest threat to U.S. fundamental security interest is not based on Russia's strength, but on Russia's weakness now combined with their missiles and their nuclear, chemical and biological arsenals, materials and know how.

Consider: Russia's loss of empire, their demoralized conventional military forces, their humiliations in Afghanistan and Chechnya, their lack of pay and housing for their troops, their eroding warning systems, including radar and satellites, and their increased reliance on nuclear forces and early launch -- all add up to an entirely different kind of threat to the U.S. and to them. I believe that it is time for both the U.S. and Russia to think far beyond Start II and even Start III. While we must improve, expand and accelerate the Nunn-Lugar program and the Nunn-Lugar-Domenici program and we must also think beyond these programs.

Before getting to my "thinking anew" questions, let me strongly endorse the findings and recommendations of the Marsh Commission on Infrastructure Protection and President Clinton's recent Directive. Our critical infrastructure is owned by the private sector, but can only be protected by a public/private partnership based on dialogue, coordination, cooperation and information sharing. **A few critical steps must be taken by our federal government in the immediate future:**

1. The federal government must get its own house in order on the Year 2000 problem.
2. The federal government and the private sector must reach a balanced,

sensible approach to encryption. (Condition precedent to building trust.)

3. Legal obstacles to public/private information sharing must be removed -- which means the President and Congress must lead.
4. An awareness and national education effort must be launched.

Cyber attacks and terrorist attacks using weapons of mass destruction have some important attributes in common:

1. It is difficult to identify and locate the origin of the attack.
2. It is likely that there will not be prior warning.
3. Attempts to deter will be extremely difficult because of the problem of identifying a perpetrator with a return address.
4. The attack may be disruptive or damaging not just in the actual physical damage, but in diminishing confidence in our government, our economy and our constitutional protections.
5. The first challenge for government and industry is to prevent attacks but also to prepare and train for managing the crisis and mitigating the consequences. Our frontline response teams, whether police, fire and emergency medical personnel or corporate information managers and law enforcement officials, must be prepared and equipped and must examine and practice -- in advance -- scenarios, options and operational plans.

The new Defense Threat Reduction Agency is being created at an opportune time to take the lead in addressing these vital security issues in this new revolutionary era.

Before closing, let me throw out a few more difficult questions for our experts to ponder:

1. Is the operational soundness of Russia's warning system as important to America's security as our own? Should we propose a cooperative program with Russia for a joint ballistic missile and aircraft warning and tracking system providing worldwide coverage not only of U.S. or Russian launches, but also third country missile launches? Should we visualize including China, Britain and France at some point down the road?

2. Should we offer to both India and Pakistan a jointly manned center for early warning of missile launch using our detection satellites and our radars on Aegis-equipped ships in the Indian Ocean? Should this proposal, if made, be conditioned on both countries pledging to take verifiable steps to assure the world that nuclear weapons are not being deployed? Should we ask Russia to join in this proposal with Russia's own missile warning radar providing partial coverage of both India and Pakistan? Should we design this concept so that it could include China in the future?

3. Should we propose to Russia joint/mutual and verifiable measures to de-alert warheads to reduce the danger of accidental or unauthorized launch? Can we develop de-alerting measures that are affordable to Russia and that can be used as interim measures while we are both building down to Start II and hopefully Start III levels? As confidence develops over a period of time, can we go further by de-alerting most warheads on both sides, so that any large launch would require days of preparation?

4. Does Russia have a Year 2000 problem? Does it affect their missiles or the safety of their nuclear arsenal? Does it affect their energy producing nuclear power plants? Are they addressing these problems? Do they need help? How is our national security affected? The same questions should be posed for China, Britain and France and indeed for all commercial reactors.

5. Can Russia today accurately detect the origin of a third country or terrorist use of a nuclear weapon against its territory? Can we? Will the Russians know that the attack did not come from the U.S.? Should we consider expanding the present (primarily data exchange) risk reduction centers to include a team of U.S. and Russian military experts working together full-time to prevent proliferation and to prepare and plan for a coordinated reaction to third countries or terrorist use or threats to use nuclear, chemical or biological weapons?

6. Should we develop a parallel U.S./Russian law enforcement center to develop ways and means of cooperating on criminal and terrorist attempts to acquire or sell weapons of mass destruction?

7. What is our assessment of the risk of Russia's weapon grade plutonium stockpile and highly enriched uranium? Given Russia's economic distress, is this stockpile at high risk? If so, do our national leaders and Russia's leaders fully understand the third country and terrorist dangers? Should a joint program to bury, burn or buy plutonium taken from weapons assume a much higher priority in terms of our focus and our resources, as well as the expenditure of political capital by our elected leaders?

8. How can we link up international law enforcement to deal with the cyber threat? How do we deal with the "instruction manuals" increasingly available on the Internet, providing "how to" lists on constructing weapons of mass destruction and carrying out cyber attacks? How do we use market forces like liability insurance to give our private sector the incentive to pursue vigorous information security efforts? How do we share classified threat assessments with those in the private sector who need to know?

You will undoubtedly think of many more profound and productive questions. I conclude where I began -- we must think out of the box -- we must think anew.

As I leave these questions for you to ponder, I urge you to use your knowledge and wisdom to think anew.

###

THE PRESIDENT HAS SEEN
6-16-98

THE WHITE HOUSE

WASHINGTON

June 16, 1998

✓
MR. PRESIDENT:

The attached Sperling/Reed memo asks you to endorse, with some changes, the Coats-Harkin Individual Development Accounts (IDAs) legislation, which would establish a 4-year, \$100M demonstration program under which State, local and nonprofit entities would operate IDA programs.

Under the demonstration, low-income households would qualify to open IDAs with a match from the administering agency of at least 1:1 and no more than 8:1. Individuals could make withdrawals from their accounts for (i) a first-home purchase; (ii) post-secondary education expenses; or (iii) starting a new business. The bill gives a preference to administering entities that attract substantial private or non-Federal matching funds. The bill enjoys bi-partisan support.

Gene/Bruce present three Options, but no one supports Option 2, which would have you put forward an IDA proposal with a higher price tag, or Option 3, which would have you propose a narrower IDA demonstration limited to home buying. All of your advisers (*NEC, DPC, OMB, Podesta, Stein, VP, Treasury, HUD, CEA, SBA, HHS*) support Option 1, which is to endorse Coats-Harkin with some modifications. There is some risk the GOP will attempt to expand the IDAs to include K-12 private school (a type of Coverdell Amendment), but Harkin has vowed to oppose any such efforts. Your advisers are seeking a similar pledge from Coats.

Option 1 (recommended) ✓ Option 2 ___ Option 3 ___ Discuss ___

Sean Maloney 

*Street
to Belton
Harkin in the cabinet*

*copied
Emanuel
Sperling
Reed
COS*

HAS SEEN
6-16-98

THE WHITE HOUSE

WASHINGTON

June 14, 1998

98 JUN 16 4:58

MEMORANDUM FOR THE PRESIDENT

FROM: GENE SPERLING
BRUCE REED

SUBJECT: Individual Development Accounts

On Wednesday, the Senate Labor subcommittee will mark-up the Human Services reauthorization bill. Besides Head Start and LIHEAP reauthorization, the Committee is planning to include a demonstration of Individual Development Accounts. Given your record, we believe that you should get out in front on this issue and we should either endorse the proposal (with some modifications) or propose our own IDA demonstration.

For many years, you have strongly supported Individual Development Accounts (IDAs) as a means to build assets among lower-income Americans, help move people from welfare to work, expand homeownership opportunity, increase access to post-secondary education, and help people start their own businesses. Indeed, nearly six years ago -- in September 1992 -- you announced your support for IDAs, saying that they "would encourage poor Americans to set money aside in special savings accounts that they can use for a home, their education, their training or starting a small business." To that end, your 1994 Welfare Reform proposal included an IDA proposal and the 1996 Welfare Reform law allowed States to use welfare funds to establish IDAs.

However, the Federal government has yet to provide direct funding to create IDAs. This memo lays out three potential options for the Administration: (1) endorse the Coats-Harkin IDA demonstration bill; (2) put forward our own Coats-Harkin-like IDA proposal with a higher price tag; or (3) propose a narrower IDA demonstration for just homeownership.

Coats-Harkin IDA Demonstration Bill:

Senator Coats and Senator Harkin are the lead sponsors of a bill which would establish a four-year, \$100 million IDA demonstration under which State and local agencies and/or non-profits would be funded to operate IDA programs. The demonstration would be open to households that are either eligible for welfare (TANF) or have an income level below the EITC phase-out point and a net worth below \$10,000. For each dollar deposited into the IDA by a low-income family, the administering agency would provide a match of not less than 1:1 and not more than 8:1. Individuals could make qualified withdrawals from the IDA for only three purposes: (1) purchase of a first home, (2) post-secondary educational expenses, or (3) starting a new business. The Coats-Harkin bill gives a preference to entities that are able to attract pledges of substantial non-Federal, especially private sector, funding to serve as a match for the Federal dollars. And to determine whether this demonstration works, the bill requires that there be a rigorous evaluation of the program.

You should know that the Coats-Harkin bill has the support of a bipartisan group of Senators, including Abraham, Lugar, Collins, Moseley-Braun and Wellstone. On the House side, the lead sponsors of the companion bill are Tony Hall and Kasich. While there are no real substantive problems with the bill, there need to be some clarifications and technical corrections.

Options:

The following options would be coupled with two other measures to promote IDAs in the private sector and at the state and local level: first, we would ask the banking regulators to clarify that banks and thrifts can receive Community Reinvestment Act credit for IDA programs; and second, a letter would be sent from HUD clarifying that HOME and CDBG funds can be used to establish IDA programs. In addition, because of the need for an offset to pay for any of the following options, we are investigating whether we could place the IDA program within the Treasury Department instead of at HHS (as the Coats-Harkin bill does) and direct the Community Development Financial Institutions (CDFI) fund to set-aside funds from its existing budget request for FY99 to pay for its operations.

Option 1: Endorse Coats-Harkin bill

Pros:

- Could help approximately 50,000 lower-income Americans build assets, which is an important means to get out of the cycle of dependency.
- While the national homeownership rate is nearly 66 percent, the rate among lower-income and disadvantaged Americans is below 50 percent. IDAs would help expand homeownership opportunities to this group of people. IDAs would also help increase access to college and help low-income families start their own businesses.
- Provides another tool to move people from welfare to work.
- Enactment of Federal IDA legislation would complete the community empowerment agenda you laid out in your 1992 campaign.
- Would dovetail well with other housing proposals: Low-Income Housing Tax Credit expansion will help develop more rental housing units; Welfare-to-Work Housing Vouchers will help move welfare recipients into privately owned rental housing; and IDAs will help these families save to become homeowners.
- Of all the options being considered, most likely to be enacted this year.

Cons:

- The Coats-Harkin bill comes with a price tag of \$25 million per year. One option to pay for our endorsement could be to place its operation within the CDFI Fund and direct the Fund to set-aside \$25 million within its FY99 budget request.

- Some believe that Republicans would expand IDA bill to include K-12 private school education, reopening the same issues raised by Coverdell amendment, but in a less favorable context (IDAs help lower-income Americans, while IRAs disproportionately benefit those with higher incomes).
- This initiative would help only a small percentage of low-income persons who need help accumulating wealth.
- An IDA demonstration may be vulnerable to fraud, especially allowing withdrawals for small business activities.
- Endorsing Coats-Harkin means you will not have put forward your own IDA proposal (even though Coats-Harkin is based largely on the one included in our 1994 welfare proposal).

Option 2: Put Forward Our Own IDA Demonstration with a Higher Price Tag

Another option would be to put forward our own IDA demonstration proposal (with a higher price tag), while acknowledging the proposal from Senators Coats and Harkin. OMB believes that the largest our own IDA demonstration program could be -- within your FY99 budget -- is \$30 million per year (or \$150 million over five years). This option would allow us to make the small substantive and technical changes to the Coats-Harkin proposal without having to negotiate with their staffs.

Pros:

- Same as option 1, but you would have ownership of the proposal.

Cons:

- Same as option 1, but the price tag for this option would be higher and would require a larger offset.
- Could upset Harkin and Coats that we are proposing a similar IDA demonstration without endorsing their proposal.

Option 3: Propose More Narrow IDA Demonstration for Only Homeownership

Another alternative would be to propose a narrow IDA demonstration which would be focused solely on homeownership -- the only qualified withdrawal would be for the purchase of a first home.

Pros:

- Focuses message on homeownership and focus attention on the importance of saving for homeownership.
- Allays concerns of education community that IDAs would be used as vehicle for Coverdell.
- Costs less than other two options.

Cons:

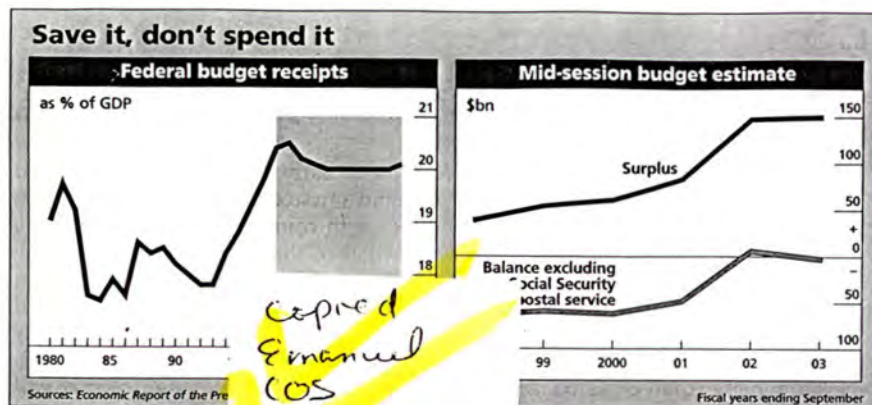
- Some may question why we did not propose allowing post-secondary education as a qualified withdrawal from IDAs, given your strong record on expanding access to college. We would get the same criticism for not allowing withdrawals for starting a new small business.

Recommendations:

NEC, DPC, OMB, White House Legislative Affairs, OVP, Treasury, HUD, CEA, SBA, and HHS recommend that you support the Coats-Harkin bill with some modifications. There is unanimous agreement that endorsing Coats-Harkin would be consistent with your goals of helping move people from welfare to work, provide educational opportunities, help people buy their own homes, and help people start their own businesses. If you decide to endorse Coats-Harkin, we will work with their staffs to ensure that the bill is modified to address the specific concerns of your advisors; for example, we want the bill to include a stronger evaluation component so that we have rigorous evidence on whether this initiative works or not.

Education is concerned that endorsing an IDA demonstration now may provide the Republicans an opportunity to open up the accounts to K-12 private school education. You should know that Senator Harkin has indicated that he will not support the IDA demonstration if the Republicans try to attach a Coverdell-like amendment. Your advisors believe that we should work with Senator Harkin to obtain a similar pledge from Senator Coats before we endorse the bill. In the end, we believe that Senator Coats will provide us this guarantee because he is retiring and wants to pass the IDA bill.

- ☒ Endorse Coats-Harkin Bill (RECOMMENDED)
- ☐ Put Forward Your Own, Bigger IDA Demonstration Proposal
- ☐ Propose Narrow IDA Demonstration Program Targeted To Homeownership
- ☐ Discuss Further



"define a vision" in articles. (His own vision, smaller government a May 20th, his commission proposal that would tax by \$101 billion over. Few other Republican zeal for radical spending budget surplus grows, better representation

pressing eagerness for specific tax-cut ideas, such as reducing the so-called "age-tax penalty".

outside Congress, even more radical proposals abound. In a recent memo to congressional leaders, Steve Moore of the Heritage Foundation and Lawrence Kudlow, the economist at American Skandia, suggest a tax cut of at least \$500 billion over the

next five years. They assume that federal tax receipts will continue to grow at 7% a year (the average over the past five years) and expect a cumulative surplus of roughly \$1 trillion by 2002. At least half of this, suggest Messrs Moore and Kudlow, should go towards immediate tax cuts. They would, for instance, like to see income-tax brackets widened and indexed for real income growth as well as for inflation.

So far, few Republicans are tempted by such massive (and short-sighted) tax cuts which, in today's fully stretched economy, would be especially foolish. Unfortunately, that does not necessarily imply prudence. Judging by their actions rather than their words, too many Republicans seem as keen to spend as Democrats. If the pork-filled transport bill, recently passed by Congress is anything to go by, the biggest danger is that the surplus will be frittered away with unnecessary spending. Guarding against that, especially as congressional election approach, will be a far bigger test of America's fiscal prudence.



Concealed-weapons laws

Can hidden guns cut crime?

You may be safer if a potential assailant thinks you are armed. Or maybe not

AN APPARENT spate of killings in schools and by schoolchildren—the latest on May 21st in Springfield, Oregon—means only one thing to advocates of gun control: there are too many guns around. But many Americans seem to have drawn the opposite conclusion: that making guns more available is the way to make the country safer. On May 15th the Missouri legisla-

ture authorised a statewide referendum on a proposed concealed-weapons law, which would allow thousands more people to carry handguns. Missouri will be the first state to put such a law directly to the voters.

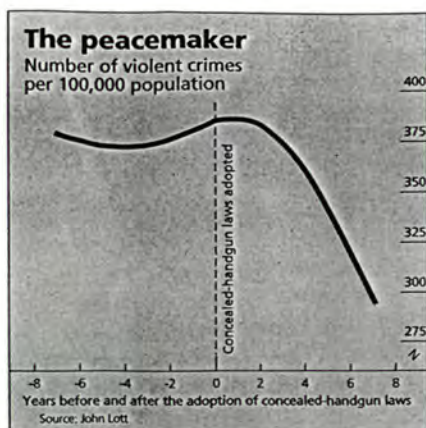
And yet it is hardly a pioneer. Even as gun-control advocates have struggled, and largely failed, to restrict access to firearms through assault-weapons bans, licensing

schemes, waiting periods and other measures, concealed-handgun laws have swept across America. Since 1985, 23 states have passed these laws—nine since 1995—bringing to 31 the number of states which now issue to any adult with no criminal record and no history of mental illness a permit not to just to keep handguns at home, but to carry them everywhere. Previously, even law-abiding citizens had to show a compelling need to get such a permit.

Do these laws really make America safer? John Lott, an academic at the University of Chicago, insists that they do. If more law-abiding citizens are allowed to carry guns, he says, criminals are deterred. In his new book ("More Guns, Less Crime", University of Chicago Press), he reports the conclusions of what he claims is the most extensive statistical study of gun control and crime ever undertaken. Using data from all 3,054 counties in the United States from 1977 to 1994, he has found that, for each year that a concealed-handgun law is in effect, the local murder rate declines by 3%, robberies by over 2% and rape by 2%. Mr Lott even claims that mass public shootings, such as the one in Oregon, become rarer once such laws are passed.

Some of his other findings are still more startling. The biggest falls in crime were in high-crime urban areas or minority neighbourhoods. The laws led to no increase in accidental deaths or suicide by gunshot. Every additional woman who carries a handgun produces an even bigger drop in crime than each additional man. And popular anti-gun measures, such as waiting periods or background checks, produce no reduction in crime.

It is hardly surprising that Mr Lott's con-



clusions have made gun-control advocates (which include *The Economist*) uncomfortable. His original study, published in an academic journal in 1996, provoked an uproar. Gun-control groups accused him of being a mouthpiece for gun makers, but did not refute his findings.

Then academic opponents crawled over his study, criticising his methods and assumptions. One of the most cogent criticisms came from Franklin Zimring, a law professor at the University of California at Berkeley and one of America's leading criminologists. He argues that Mr Lott ignored too many other factors which affect crime levels. Many of these are single events—such as the influx of Cuban or Haitian refugees to Florida, or the 1980s epidemic of crack cocaine in large cities—which cause big blips in crime, making many statistical comparisons meaningless.

There is a limit to what any model such as Mr Lott's can explain, Mr Zimring says. Moreover, he argues that Mr Lott has not provided any of the intermediate steps needed to prove causation. For example, he would have to prove that the number of permits issued led to an increase in citizens carrying handguns; that this, in turn, led to an increased use of guns; and that this, in turn, led to a change in the rate and patterns of crime. To prove that the laws work, Mr Zimring goes on, a researcher would have to do this for a particular area over a relatively long period of time. Otherwise, any changes in the crime rate could be due to many other factors. With 200m guns already in circulation, "the effects of these laws have been trivial," he believes.

In his new book Mr Lott has expanded his original study and tries to rebut his critics, including Mr Zimring, point by point. He agrees that crime statistics are notoriously difficult to interpret, but claims that his thousands of statistical regressions account for most variables such as demography, earlier levels of gun ownership, and variations in crime and arrest rates. If the rest of the country had adopted concealed-handgun laws in 1992, he claims, about 1,500 murders and 4,000 rapes would have

been avoided.

But Mr Lott concedes that some aspects of the new laws remain unexplained. The argument for deterrence should lead to a demand for the right to carry weapons openly, not secretly. In fact, 23 states do not restrict the open carrying of loaded guns in public, and yet few people take advantage of this. Mr Lott does not know why. It makes other people uncomfortable, he speculates. He also expects that only about 5% of people will ever take advantage of concealed-weapons laws. If many more started carrying handguns, he admits, the laws might have a different effect. At the very least, reductions in crime would probably level off. At the worst, a more heavily armed society might see a rise in crime.

Mr Lott does not predict this, but statistics from Philadelphia are suggestive. Be-

fore 1995, the city was an exception to Pennsylvania's concealed-weapons law; police there could refuse a request for a permit to carry a concealed weapon if the applicant could not prove "reasonable need". In 1995, the exception was eliminated. In 1994, 1,500 permits to carry a concealed weapon were issued in Philadelphia; in 1996, around 11,500 were. Whereas in most big American cities homicide rates have been falling in recent years, in Philadelphia they have stayed much the same.

The debate will continue. But Mr Lott's arguments seem to have prevailed with many politicians. Michigan's legislators are expected to vote on a concealed-weapons law soon. How the general public feels about the laws is not yet clear. Missouri's referendum next April may provide the first indication.

Alabama politics

Praying and fighting

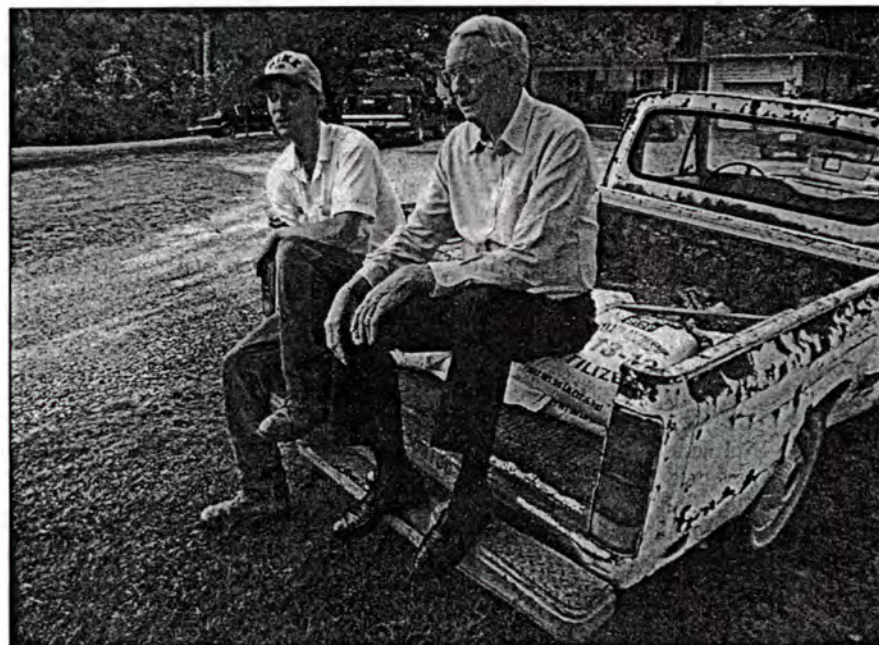
MONTGOMERY

FOR decades, Alabama's governors have insisted that their state does not take kindly to outside interference. George Wallace stood on the steps of the University of Alabama to prevent federally-ordered racial integration. The current governor, Fob James, likes to argue that the Bill of Rights does not apply to Alabama. Just to rub it in, the Welcome Centres that greet drivers entering the state have, engraved in stone, the words: "Alabama. We defend our rights."

The more image-conscious sort of Alabamian does not like to discuss such things. He would rather explain that the state's big-

gest industrial city, Birmingham, is one of the five biggest banking centres in the country. Or that the state's Auburn University has produced six astronauts. Or why Mercedes and Boeing decided that Alabama was a great place to build enormous factories. This division of loyalties between tradition and business now threatens to tear apart Alabama's Republican Party.

Two of the five Republican gubernatorial candidates—Mr James and a local millionaire businessman, Winton Blount—are slugging it out in a bitter June 2nd primary that appears destined to go



Hunt prepares to ride to the rescue

Biotech's secret garden

Jennings

Bioprospecting—the age-old search for medicines from nature—is taking on a new vitality as the tools of modern biotechnology are brought to bear

TRADITIONALLY, the men and women who discover new drugs have been famous for scraping the bottom of the barrel. Or burying their heads in the sand. Or not seeing the wood for the trees. As a result, some of the most powerful and popular drugs around have been developed from natural substances. Taxol and aspirin, for example, were originally extracts of bark (from the yew and the willow, respectively). And penicillin and cyclosporin (which stops the rejection of transplanted organs), come from fungi, as does lovastatin, the world's leading cholesterol-lowering drug.

At the beginning of the 1990s, however, it looked as though all this botanising might become old hat. A new technology called combinatorial chemistry seemed to offer a rich alternative to the natural world. Combinatorial chemistry allows diverse chemical groups to be bolted together in different combinations, creating up to 40,000 separate compounds in a single experiment. Many researchers believe they can find a universe of medically useful molecules in this way, without ever stepping outside the laboratory.

But fashions change, and drug discovery is on a back-to-nature trip. In the past two years, scores of small companies have set up alongside the major pharmaceutical firms to find and screen chemical compounds from hundreds of thousands of plants and micro-organisms. The reason, according to Malcolm Morville, the president of Phytera (a biotechnology firm based in Worcester, Massachusetts), is that combinatorial chemistry's power is limited by the imaginations of the chemists who do it, and the range of chemical reactions they can devise. As a result, its products frequently fail to pass laboratory tests for biological function. In contrast, na-

ture's molecules have already proved their usefulness in the ultimate screening programme: over three and a half billion years of evolution.

Grassroots movement

Phytera and a handful of other companies are using new biotechnology to get more from nature than meets the eye. With its bag of scientific tricks, the company has already



isolated two compounds that appear effective against viral and fungal infections. It is now turning its sights on neurological disorders and heart disease, after signing agreements with a Danish firm called NeuroSearch and an American company, Galileo, earlier this month.

The essential problem facing Phytera is how to unlock the biochemical diversity of its plants fast enough to keep up with modern drug-development programmes. Combinatorial chemistry has developed hand-in-glove with "high-throughput screening": highly automated, highly sensitive labora-

tory tests that will shortly be able to scan up to a million compounds a week. (Two decades ago, a company thought it was doing well if it could take 100 compounds a week through their biochemical paces.)

Phytera is rising to the challenge of extracting and purifying compounds fast enough to fill the maw of high-throughput screening by dispensing with the traditional and rather cumbersome route of processing whole plants. This requires drying them, grinding them up and then pulling out their component chemicals. Instead, the firm is working with isolated plant cells in test-tubes. And since Phytera's collection of almost 5,000 species from around the world is stored in cold glass vials rather than hot glass houses, if the company's scientists find an interesting compound in a culture, they can easily go back to the freezer, defrost a sample, and grow some more cells from the relevant species in a test-tube.

Although working out the particular growing conditions can be tricky, it is nowhere near as tough as trying to get tonnes more of an exotic plant from a far-flung corner of the earth. Plant samples can be very expensive—up to 100 times more costly than laboratory-based cell cultures, according to Jim Miller, associate curator of the Missouri Botanical Gardens in St Louis. And these days, in the wake of the Convention on Biological Diversity signed in Rio de Janeiro in 1992, companies are having to make many more promises to, and face much more opposition from, national governments which understandably want to get the best return from foreigners who stand to profit from their biological riches.

Apart from its practical value, working with plant cells allows Phytera to use one of its cleverest tricks. As Dr Morville observes, plants are masters of quick-change chemistry. Because they cannot run away from a hostile environment, they have to adapt on a minute-by-minute basis to alterations in temperature, light or nutrients. Some of these adaptations involve the production of new biochemicals which may have medicinal value, but will never find their way into the laboratory for testing if the plant is picked at the wrong time. So, before their component chemicals are extracted, Phyt-

era's plant cells are put through hell. They are baked, chilled, infected, bombarded by hormones, plunged into darkness and blasted by light.

Dr Morville's hunch appears to be paying off. Phytera's anti-fungal agent, which it calls sunillin, was only produced when cell cultures of a common plant (Dr Morville won't reveal which) were infected with such nasty beasts as *Candida* yeast and *Aspergillus* mould. Out of the cell and into the test-tube, sunillin kills a wide variety of fungal invaders. In one test, for example, the drug kept 80% of infected mice alive, whereas all those being given fluconazole, a leading anti-fungal drug, died.

Not only is sunillin more effective than fluconazole, it works by a different mechanism. This makes it a welcome addition to the medicine chest, since many disease-causing fungi are developing resistance to fluconazole and other common medicines that work in more or less the same way.

Phytera does not eschew combinatorial

chemistry completely. Because sunillin is a rather awkward molecule to work with, the company's chemists used it as a molecular scaffold and came up with 3,000 variations on the theme. About a dozen of these are just as effective as the original, but may prove less toxic in animals. The company has also worked out how to synthesise sunillin from scratch, so that it can make large quantities of the drug for its clinical trials without bothering with cell cultures.

Phytera has gone fishing for molecules in marine micro-organisms as well. The firm has several thousand species of bacteria and fungi from the waters off Hawaii and the Virgin Islands safely stored in its laboratory. Using many of the techniques that have worked on plants, it has isolated a novel compound called marinovir from a bacterium which lives in the seas around California. The molecule, a small protein, is a powerful anti-herpes drug—in laboratory animals, at least. Like sunillin, marinovir appears to work in a completely differ-

ent way from other drugs in its class, with all that that implies for its being able to overcome drug-resistant viruses.

Hidden depths

While the sea is a great uncharted source of pharmaceuticals, there is still plenty of paydirt on land. According to Joe McDermott, the research director of a Vancouver-based biotech company called Terragen, fewer than 0.1% of all the bacteria and fungi swarming in the soil have actually been tested for medically useful chemicals.

This is because conventional ways of isolating such compounds require large quantities of microbes to be grown in the first place. But most micro-organisms do not take kindly to being scooped out of the ground and dumped into the laboratory. Often, they resolutely refuse to reproduce, which means any medical potential remains untouched.

TerraGen and, working independently, a San Diego-based firm called Diversa,

Why rhinos recommend Viagra

FOR all the hype, you might think that Viagra is the first drug designed to help men achieve and sustain an erection. In fact there are many rival products. Traditional Chinese medicine, especially, claims numerous treatments for invigorating the organ in question.

Yu Han, a Chinese-medicine specialist based in London, notes that most such medicines are parts of plants—lotus stems, for example. Since plants have also yielded many drugs recognised as effective by western medicine (see main article), it is likely that some of these herbal cures would withstand scientific scrutiny. But the distinction between medicine and magic is often a fine one, and when "cures" are based not on the chemical diversity of plants but on the alleged attributes of wild animals, the success of any treatment is surely all in the mind. Which is not much comfort to the animals involved.

Take tiger-penis soup, for instance—and some apparently do. It is supposed to endow men who consume it with the prowess of that mighty beast. Tigers are not amused: only 5,500-7,500 are left in the wild, and dozens are poached and chopped up each year for use in traditional medicines. At the moment, according to Steve Trent of the Environmental Investigation Agency in London, which studies "crimes against

nature", trade in tiger parts is killing more of the beasts than the destruction of their forest habitat. And tigers are not alone. Powdered rhinoceros horn is also a favoured treatment for impotence (fewer than 12,000 rhinos remain in the world), as are potions made with the remains of the masked palm-civet, an endangered



Virile? Moi?

mongoose-like animal.

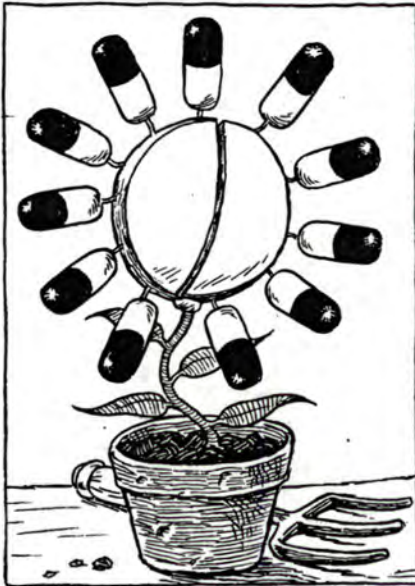
Because they are endangered species, the trade in tigers, rhinos and civets involves poaching, smuggling and related treacheries. All of this drives up costs, making such potions luxuries. For the patient of ordinary means, therefore, something cheaper is required. And stags have just the right sort of image. Dried into a

black and leathery state, stag penises are diced like carrots and then boiled to make soup. No, it doesn't taste just like chicken. It tastes "just like MSG," reports Hugh Baker, a professor of Chinese at the University of London.

Alcoholic infusions are also popular. Three-penis wine (made of the said parts of a dog, a stag and a seal) is a popular standby. Nine-penis wine (don't ask) is slightly more expensive. So is wine made with a special kind of gecko, a cheerful little lizard that is found throughout South-East Asia. Even snake penises are considered good. In Hong Kong, they are soaked in herbs and liquor, aged for a couple of years, and then sold for up to \$200 a bottle.

On the face of it, then, Asia should be a fertile market for Viagra, and tigers, rhinos and civets might thus have some of the pressure lifted from them. But maybe not. Asians do not doubt the virtues of western medicine. Many, however, assume that traditional varieties are better for certain kinds of problems, "vigour" among them. Still, Viagra—unlike the

folk remedies—has clinical trials to prove that it works. At a dose of 100mg, Pfizer reports that 82% of men had improved erectile performance. (It also notes, deadpan, that the drug is "not indicated for use in newborns, children or women.") Stag-penis soup, on the other hand "didn't do a thing for any of us who had it for dinner," says Dr Baker.



have found a way to overcome the reproductive reluctance of even the most unyielding microbe. Both companies' methods work by taking a soil sample (which contains an average of 4,000-5,000 different species of micro-organism) and extracting all the DNA from it. They then pop large pieces of this DNA into a strain of bacterium called *Streptomyces*.

Because they now contain the genes of other micro-organisms, these *Streptomyces* act as microbial stand-ins, churning out biochemicals normally found only in the original soil species. So, since individual *Streptomyces* like to multiply madly on Petri dishes, it is just a question of picking out the colonies that are producing the desired biochemicals, and screening them for their biological activity.

Using its version of the technique, TerraGen has isolated about 20 potentially antibiotic compounds from the native soils of British Columbia. And the company is also taking its tools to lichens, which are symbiotic unions of fungi and algae. A fifth of all fungi are locked up in lichens. Some of these may be medical goldmines, but lichens are notoriously difficult to grow in the laboratory. TerraGen's DNA-extracting technology overcomes this obstacle, and has already pulled out many novel molecules.

Unlike TerraGen, Diversa takes its samples from around the world, including the rainforests of Costa Rica and the glaciers of Iceland. The company has found around 100 new molecules, some of which are active against bacteria.

Microbes may not be as colourful as plants, but they are just as jealously guarded. Diversa has signed a number of agreements with foreign governments to use their soils, in return for royalties, technology and training. In March, though, the company raised hackles closer to home.

Protesters began legal action to block a contract it has signed with America's National Park Service. The deal gives Diversa access to the microbes in Yellowstone Park's hot springs, and the protesters want to know its terms. While biotechnology is good at extracting more compounds from nature, it is bringing a load of controversy with it.

Storing information

Come up and see my etchings

SAN FRANCISCO

HOW do you make a permanent record of something? Paper tends to crumble, and is also very bulky. Microfilm, much favoured a few years ago, deteriorates quite rapidly. And digital media, regardless of their physical durability, rely on the correct hardware and software being available to transcribe and decode them—a problem that is already making some early archives inaccessible. What is needed is a medium that is compact, durable and immune to the fashions of information technology. Norsam Technologies, a firm based in Los Alamos, New Mexico, believes it has just the thing: its etchings.

Etching metal has an honourable place in the history of image making, and etching silicon an equally critical role in information technology (it is how the circuits on computer chips are laid out). Norsam, using technology developed at the Los Alamos National Laboratory (the home of the atomic bomb), has combined the two ideas.

The company uses a modified form of the micro-etching techniques of electronics to produce atomic-scale images on nickel discs. The discs are extremely durable, and because the information on them is not digitally encoded, changes in information technology over the years should not affect its accessibility. All you need to read it, whether now, or several millennia in the future, is a microscope (admittedly a very powerful one). And microscopes do not depend on proprietary operating systems.

Norsam's graving tool is a highly focused beam of gallium ions (atoms with electrons knocked off them so that they are positively charged). Instead of aiming the beam directly at the nickel, it is used to carve the image on a disc of high-density polymer known as "photoresist".

The ion beam breaks down the molecular structure of photoresist, making it susceptible to a proprietary etching solution developed by Norsam. How long the beam is fo-

cused on a specific area of photoresist determines the depth of the eventual etching. It is this variable-depth etching that allows the company's engineers to place microscopic grey-scale images of a document on a disc: the different depths of etching produce up to 4,000 distinct shades of grey.

Photoresist, though, is not that durable. To produce a long-lasting version of the etching, the image is coated with a thin layer of silver, and a thicker layer of nickel is deposited electrochemically on top of that to create a master disc. The remaining photoresist is then dissolved away using a different solution, and the nickel-silver sandwich acts as a master from which pure nickel copies can be made.

Norsam claims that the result of all this, a product it calls the HD-Rosetta disc, will be able to carry the equivalent of some 1.6m A4 pages, or 250 times as much as can be stored on a compact disc of equivalent size. The company also says that the cost of creating large archives on its new discs will be about the same as doing it with microfilm—some 12 cents per A4 page.

The reading machine that the company is developing to go along with the Rosetta disc is based on IBM's "near-field" optical microscope, which can see objects that are only five times larger than an individual atom. That may, of course, be superseded, but the discs will still be readable by whatever souped-up magnifying glass future generations might invent. And unlike magnetic-storage media such as tapes, they will be impervious to the electromagnetic effects of nuclear weapons (which is why Los Alamos took an interest in the first place). So if there is a nuclear war in the future, subsequent historians should have good written records of what led to it.



An old message from Rosetta

Balun/Gun/Hoc
Fgr

The
Economist
MAY 30TH 1998

THE PRESIDENT HAS SEEN

6-10-98

Copied
Emanuel
Sperber
NRC
COS

The challenge for America's rich

AT THE turn of the century, with the economy booming and inequality on the rise, the Salvation Army threw a dinner party at Madison Square Garden. The stadium's lights beamed down on thousands of poor people tucking into free food. The rich hired boxes and galleries to savour their philanthropy. Everybody sang "Praise God From Whom All Blessings Flow". It was hailed by the Salvation Army Commander as "the dawning of a new era, the bridging of a gulf between the rich and poor".

Over the next quarter-century the masses at the trestle tables turned on the elite in the galleries. The icons of American capitalism—the Rockefellers, Morgans and Vanderbilts—were denounced as "robber barons" and "malefactors of great wealth". Anti-trust policy was used to cut them down to size, higher taxes to narrow the inequalities they had created, and tariffs to stop them exporting American jobs. The stockmarket crash of 1929 (also their fault) led the government to interfere even more in business. Then came the Depression.

A simplistic account, no doubt, but one that America's new rich might review. For if 1900 marked the high point of one era of wealth creation, with enormous riches for those who seized new national markets just then opening up, 2000 may mark another, with the opportunities flowing this time from globalisation, new technology and corporate restructuring. America, at the last count, had 170 billionaires, compared with 13 in 1982. In many cases, the rich have got richer by doing rather little. An American who had \$500,000 in shares and a \$500,000 New York apartment 15 years ago, and has merely held on to them, is now \$5m better off.

The cliché that America's poor are too busy striving to have time for envy still rings true. Just now the economy is doing so well that everybody is getting ahead. But inequality has increased sharply over the past 30 years, and this has not gone unnoticed. In newspaper cartoons, Bill Gates has evolved from geek-hero to bullying monopolist—very Rockefelleresque. "Titanic", the blockbuster movie, offered a bracingly Marxist view of events, and the delight of American audiences when one or two rich passengers went under was, er, chilling. Barely a week passes without news of some executive hauling home a planet-sized pay packet, often for merely keeping his own company's performance in line with the stockmarket's. And the fattest pay packets often occur at companies where "downsizing" is most vicious. Can it be long before populists such as Pat Buchanan begin to tap directly into these resentments, before politicians say that "something must be done" to rein back American capitalism?

Of course, public policy can do sensible things, as well as crass destructive ones, to address fears that America's less for-



unate are being left behind. But on this occasion we will not dwell on the rights and wrongs of welfare reform, education reform, tax reform and the rest. We simply pose the question, what might America's rich themselves do to assuage the anxieties and resentments of the unrich?

Nice pickings

Once upon a time, philanthropy was the answer. Americans still give generously, especially compared with mean Europeans. But there are signs that the tradition is flagging, particularly near the top. By one count, eight in ten Americans earning more than \$1m a

year leave nothing to charity in their wills. By any measure, the new billionaires of Silicon Valley and Wall Street pale alongside the robber barons. John D. Rockefeller started giving away his money when he was a clerk in Cleveland; by the end of his life he had handed over \$550m, around \$6 billion at today's prices. The barons also had a sense of purpose. Nowadays, when cash is given, it is often thrown away on things like renaming business schools. Philanthropy needs the bright ideas of the new corporate leaders as much as it needs their cash (see pages 19-21).

In such a market-driven place as America, there is always a chance that a problem can heal itself. The pattern of future growth may, relatively speaking, favour today's low-income groups more than the better-off. The conspicuous excesses of capitalism may likewise be curbed: shareholders may clamp down on silly executive pay. Downsizing is going out of fashion. Also, many of the new rich are young; they will become more philanthropic in their dotage. On the other side stand the lesson of history (even the robber barons' generosity did not avert a backlash) and the fact that few of the new rich seem to be aware that they are doing anything questionable at all.

This conviction sometimes reflects the products they make. A software designer is a creative type, an artist almost—hardly an exploiter, like somebody who builds a railway. But it also reflects two tenets of modern American business.

The first is the perception that a businessman's value to society lies solely (as opposed to chiefly) in being a good businessman, in starting companies and making better products. Medical and law schools teach the value of pro bono work, business schools rarely do. The more dangerous second idea is the notion that America's rich owe their wealth entirely to their own brilliance, when in fact they also owe much of it to the system that allows and encourages great wealth to be created. Philanthropy is part of the unspoken contract that underpins the American dream. If that contract is broken, a backlash is likely. Every American, rich and poor, would lose.

Ulster's next hurdle

6-16-98

Samuel [unclear]
(road)



Welcome as the referendum's Yes vote was, the biggest test for peace is yet to come

AFTER 30 years of "troubles", and many false starts in the attempt to achieve a settlement between Catholics and Protestants, the path towards peace in Northern Ireland is bound to be long and bumpy. In the euphoria surrounding the province's marvellously clear "Yes" vote in the referendum on May 22nd on the proposed constitutional settlement, that simple truth risks being forgotten, especially among non-Irish observers. Indeed, one of the toughest tests is but a month away: the elections on June 25th to form the new Northern Irish assembly.

With good reason, it was widely feared that many unionist voters would give a cold shoulder to the settlement, or that a majority might reject it. In the end, that fear proved groundless, with 71.1% of Northern Ireland's voters saying Yes, including a narrow majority among unionists (see page 55). Yet the next risk still lies on the unionist side. It is that, having perhaps reluctantly been persuaded to endorse the peace deal, sceptical unionists might now express their fears by electing anti-agreement candidates to the new assembly.

A fragile structure

This would be far from irrational: we couldn't in the end say No to peace, the thinking may go, but we want to be sure that our voice is heard loud and clear in future. The calculation is delicate. Talk, for example, of alliances between the moderate nationalists of John Hume's Social Democratic and Labour Party (SDLP) and David Trimble's Ulster Unionist Party (UUP) might, for the long term, imply a welcome move to the centre ground, bridging the sectarian divide. But in next month's elections, such talk could push some Yes voters back into the

anti-agreement fold. And that could prove disastrous.

This is because the constitutional price that has been paid to secure a settlement is a high one. In the new assembly, decisions will have to be backed by a majority of both of the main political streams, namely of nationalist Catholics and unionist Protestants. Such a procedure was deemed necessary to reassure both sides that their interests could not be steam-rollered. But it is the sort of requirement that makes a constitutional scholar blench. For it is an open invitation to small parties to paralyse the whole assembly. All that will take is the votes of little more than a quarter of the members.

That is what gives anti-agreement unionists, loosely led by the Reverend Ian Paisley and his small Democratic Unionist Party (DUP) but also including some UUP dissidents, their hope. Disappointing that hope must now be the focus of the next month's campaigning. There is some cause for optimism. Mr Paisley's support is thin, and this elderly rabble-rouser is not the force he once was. Nevertheless, if the assembly becomes paralysed so too will be the whole settlement; violent extremists on both sides will take their cue, and once again, as in 1974 after the Sunningdale power-sharing agreement was brought down by Protestant strikes, direct rule would have to be resumed.

If this settlement is to endure, and this generation's chance for peace is to be taken, voters on June 25th must be persuaded to opt for the constructive consensus-builders of the SDLP and UUP, rather than the blockers of the DUP. And if that happens, the long-term task will be clear: to help Northern Irish politics evolve into a condition in which this fragile constitutional structure can be ditched.

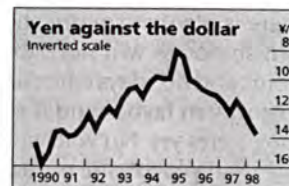
correct
Berger
Steinberg
ROS

Let the yen fall

THE PRESIDENT HAS SEEN

6-16-98

GWS



A weaker yen is good news, not bad, for Japan's economy

FOR years, the yen was one of the world's strongest currencies. No longer. This week it hit a seven-year low of ¥138 against the dollar—40% down on three years ago. To some, this is yet more evidence of Japan's deepening economic mess, and a bad harbinger for the outside world, too. Worries that a falling yen could prolong Asia's financial crisis have helped push Wall Street sharply lower. Yet such sentiments are misplaced. The weaker yen will not be a cure-all, but it is likely to do more good than harm. Which is more than can be said for the measures that would be needed if policy-makers were to set out to make it stronger.

The recent fall in the yen largely reflects the relative stance of monetary policy in Japan and the United States. American interest rates are likely to rise over the next year to keep inflation in check, while the Bank of Japan is expected to ease pol-

icy. There is little scope for it to reduce interest rates much further from their historic low of 0.5%, but the bank could still spur the economy by, in effect, printing massive amounts of money. This, in turn, implies a weaker exchange rate. To achieve a stronger yen would require higher interest rates and monetary contraction: the opposite of what Japan needs.

A cheap yen will bring three benefits to Japan. First, it will boost exports and so help to offset feeble domestic demand. Second, by helping to push up import prices a weaker yen will make deflation less likely. Japan is currently in danger of entering a deflationary spiral in which falling prices swell the real debt burden of companies, which adds to the problems of the banking sector, which further depress demand and so prices fall lower still. And, lastly, a cheaper yen will lure new capital into Japanese equities and property, helping to ease

Ulster's next hurdle

Sammy Corry
(Corry)



Welcome as the referendum's Yes vote was, the biggest test for peace is yet to come

AFTER 30 years of "troubles", and many false starts in the attempt to achieve a settlement between Catholics and Protestants, the path towards peace in Northern Ireland is bound to be long and bumpy. In the euphoria surrounding the province's marvellously clear "Yes" vote in the referendum on May 22nd on the proposed constitutional settlement, that simple truth risks being forgotten, especially among non-Irish observers. Indeed, one of the toughest tests is but a month away: the elections on June 25th to form the new Northern Irish assembly.

With good reason, it was widely feared that many unionist voters would give a cold shoulder to the settlement, or that a majority might reject it. In the end, that fear proved groundless, with 71.1% of Northern Ireland's voters saying Yes, including a narrow majority among unionists (see page 55). Yet the next risk still lies on the unionist side. It is that, having perhaps reluctantly been persuaded to endorse the peace deal, sceptical unionists might now express their fears by electing anti-agreement candidates to the new assembly.

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Let the yen fall

GWS

THE PRESIDENT HAS SEEN
6-16-98

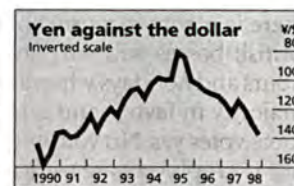
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one of the financial sector's biggest problems.

From this point of view a fall in the yen should be cheered not feared. However, many policy makers and commentators in both America and Japan are less than enthusiastic. They warn of two adverse consequences. First, that a lower yen could trigger another round of financial-market turmoil in the rest of East Asia. There are some grounds for this, but only if the yen were in free-fall rather than in a fairly steady slide. A collapse would indeed unsettle other Asian markets, and avoiding that is a legitimate policy objective. But a slide is another matter entirely. For Japan's very economic weakness is one of East Asia's main problems: fresh growth in Japan, and prevention of deflation, are powerfully in other Asian countries' interests.

The second common objection to a weak yen is that it will widen Japan's trade surplus and so reignite demands in America for protectionist measures. It is true that by most measures, such as purchasing-power parity, the yen has already fallen below its "equilibrium value". Partly as a result, Tokyo, once the most expensive city in the world, now seems

fairly reasonable to a visitor compared with New York, say. It is striking that a Big Mac hamburger now costs about 30% less in Tokyo than in mid-town Manhattan. This might suggest that the yen-dollar rate has already overshot. However, it is quite natural for weak economies to experience depreciating currencies and for booming economies to see rising ones. Rather than the tumbling yen being more evidence of economic incompetence, the exchange rate is the mechanism that redistributes demand away from economies that are operating at full capacity towards those in recession. Thus a strong dollar is also in the interest of America's overheating economy right now as it is helping to keep down inflation.

This does not mean that devaluation will wipe away Japan's woes. Far from it. There is still much that the government must do: implementing its latest fiscal stimulus, cleaning-up the financial sector and deregulating many services businesses are vital for Japan's longer-term economic health. But if a cheaper yen contributes to economic recovery it will at least provide a healthier environment in which to carry out some painful structural reforms.

Blame it on the boogie

The British government's labour-market and energy policies hark back to its Old Labour roots

SOONER or later, it had to happen. New Labour, the ultimate in nineties political style, discovers seventies retro-chic. So what if the party was slow to spot the return of the lava lamp and the Spacehopper? Ageing trendies are always a bit behind. What could be cooler than to pull a couple of seventies policies out of the drawer marked "nostalgia"?

Take, for example, "Fairness at Work", Labour's recent white paper giving greater rights to employees and trade unions. Mercifully, like most such revivals, this is a pale imitation of the original: as Tony Blair promises, there will be no return to the closed shop and secondary pickets. Even so, there is plenty to worry about. Whether they want to or not, British bosses will have to negotiate with unions over pay, hours and holidays when a ballot of the workforce produces a majority in favour and if more than 40% of the whole workforce votes yes. No vote will be needed when more than half of the employees are union members. Only companies with fewer than 20 workers will be exempt—exposing smallish firms to the hassle of dealing with unions. Union leaders, having moaned that Mr Blair was too friendly with business, are now far cheerier. "There is no company in the land which will be able to keep us out," enthused one.

Meanwhile, back at the coal face

But as echoes of the 1970s, Labour's sops to the trade unions are nothing compared with its antics in the energy market. The problem, as the government sees it, is that Britain's fast-fading coal industry is rapidly losing its biggest customers, as electricity generators switch from coal to gas. The "solution", so far, has been to ban new gas-fired power stations. No fewer than 28 such stations have been on hold since December. Now it seems that the government—in the guise of the paymaster-general, Geoffrey Robinson, a former businessman no

less—is planning to extend this ban and to persuade the biggest fossil-fuel generators to keep buying British coal.

It is hard to credit that anyone with a grasp of economics could have dreamt this up. There is, as it happens, a problem with the electricity market. But Labour, in its urge to strike a deal for coal, has missed it. The trouble is that most of the time the wholesale price of electricity is set by the three main fossil-fuel generators. They therefore have the power to keep prices high by mothballing marginal power stations—which happen to be coal-fired. That creates an incentive for other generators to build new plant—and the cheapest option is gas.

Far from increasing competition, the government's plan would strengthen the incumbent generators. It would keep power prices up, at the expense of everyone except these generators, coal miners and pit owners. In the long run, it may do the coal industry no good either: gas-fired power stations are becoming ever smaller, so more customers in future will generate their own power. The government would be better advised to review competition in generation. Were generators forced to auction mothballed plant, so that marginal power stations were spread around more owners, there would probably be more coal burned and power prices would be lower.

The government would no doubt deny that its return to the 1970s has anything to do with nostalgia for coal. It would be wrong, it says, for Britain to be too dependent on gas for its electricity. But that danger is remote: it seems unlikely that gas's share of the market will rise much above 50%—compared with coal's 70% as recently as 1990.

No: the explanation is that fondness for the 1970s dies hard. But unlike the young things boogying in London clubs, Mr Blair has no excuse. He can remember how bad the decade was the first time—the music, the fashion, and the economics.



THE WHITE HOUSE
WASHINGTON

Date 6/16/98

To: PODESTA, MATHEWS, ECHEVERRISTE

From: The Staff Secretary EMANUEL

LEGAFF WOULD LIKE TO
SEND THE ATTACHED TO THE
LEADERSHIP TODAY. CAN WE
HAVE YOUR COMMENTS?

— SEAN

June 16, 1998

98 JUN 16 11:02

Dear Mr. Leader:

If the conference report on H.R. 2646 is presented to me, I will veto it because the "A+ Accounts" that it would authorize are bad education policy and bad tax policy.

Over the past few months, Congress faced a choice: whether to join together to support our public schools by helping ensure that every child in America has the opportunity to learn in a modern, safe, state-of-the-art school, or whether to divert resources to an ill-advised tax rebate that won't cover the cost of pencils for most families. The conferees on H.R. 2646 have made the wrong choice.

The need for school construction and renovation has never been more compelling. With the number of school-age children at record levels, schools across the country already are at or beyond capacity. One-third of our schools need to be modernized. Nearly half don't have the wiring to support basic computer equipment. If we want our children to be prepared for the 21st century, they ought to have 21st century schools. That is why I proposed tax credits to help build and modernize more than 5,000 schools.

In contrast, the A+ Accounts in H.R. 2646 would weaken public education and short-change our children. This \$1.6 billion proposal, while siphoning limited federal resources away from public schools, would do very little for average families. It would disproportionately benefit the highest-income taxpayers, and families struggling to make ends meet would never see a penny of it.

I have just signed into law major legislation that will provide more than \$200 billion over six years to help build and repair our nation's highways, bridges, and other transportation structures. Similarly, we have an obligation to invest in the infrastructure needs of our public schools. H.R. 2646 ignores that obligation. We have 563 days left before the 21st century. Let us work together on the right way to prepare our children for the new century. H.R. 2646 is the wrong way. I urge the Congress to reject it.

Sincerely,

THE WHITE HOUSE

WASHINGTON

June 16, 1998

THE PRESIDENT HAS SEEN

6-16-98

MEMORANDUM FROM THE PRESIDENT

FROM: SEAN MALONEY *SM*

SUBJECT: Medicare Coverage of Abortions

*Copied
Reed
Ruff
COG
Kagan*

The attached Reed/Ruff memo asks you to decide whether the Hyde Amendment's abortion-funding prohibitions should apply to Medicare.

Background. Medicare covers about 500 abortions/year; about the same as during the Reagan/Bush Administrations. (Some 2 million non-elderly women qualify for Medicare through SSDI.) In 1991, HCFA issued a reimbursement directive, tracking the Hyde Amendment, which stated that Medicare would cover abortions only where the mother's life was endangered. Congress later expanded the Hyde exception to encompass rape/incest, but the HCFA directive did not change, leaving it more restrictive than Hyde. Some Medicare carrier medical directors, however, may be covering abortions in cases of rape, incest, deformed fetuses, or mentally impaired mothers. This may explain why pro-choice groups have never complained about the HCFA directive. Recently, the Catholic Health Association (CHA) complained to us and to Senator Nickles about a HCFA regional-office ruling that a Catholic-run Provider Sponsored Organization (PSO) could participate in Medicare only if it agreed to cover qualified abortions for disabled women. Senator Nickles then wrote Secretary Shalala asking whether the Hyde Amendment applies to Medicare, and whether religion-based health plans that do not offer abortion services can qualify as PSOs under Medicare.

Options/Views. All of your advisers agree (i) that we should offer the CHA a new administrative option that lets Catholic plans participate in Medicare without covering abortions; and (ii) that we should broaden the 1991 HCFA directive to track Hyde and permit funding in cases of rape/incest. HHS disagrees with the rest of your advisers, however, over whether Medicare might also cover other types of abortions. Two options are presented:

Option 1: Rule that Hyde applies to Medicare -- say all Medicare expenditures must abide by the Hyde restrictions because some Hyde-covered appropriated funds are deposited into the Medicare Trust Fund; would avoid a showdown with Congress; covers more abortions than the current HCFA directive; helps a possible agreement with Catholic plans. *DPC, OMB, Podesta, Sylvia, Maria, and Audrey Haynes support Option 1; Sylvia expresses some concern about angering women's groups when Nickles may do little more than reaffirm Hyde's applicability.*

Option 2: Rule that Medicare can cover abortions necessary to protect a woman's health -- could segregate appropriated funds (covered by Hyde) from non-appropriated funds (e.g., payroll taxes, premiums) in the Medicare Trust Fund; could use non-appropriated funds to cover health-related abortions; would permit abortion coverage for vulnerable and disabled women; would please women's groups; *HHS supports this option.*

Approve Option 1 ☒Approve Option 2 ☐Discuss ☐

98 JUN 12 PM 8:32

THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS SEEN
6-16-98

June 12, 1998

MEMORANDUM TO THE PRESIDENT

FROM: Bruce Reed
Charles F.C. Ruff

SUBJECT: Hyde Amendment Application to Medicare and Abortion Coverage
Requirements for Catholic Provider Sponsored Organizations

As you know, some women of child-bearing age qualify for Medicare because they receive Social Security Disability Insurance (SSDI). Senator Nickles has asked HHS whether the Hyde Amendment's restrictions on government funding of abortion apply to the Medicare program. He also has asked whether health plans that refuse, on religious grounds, to provide abortion services can still become Provider Sponsored Organizations (PSOs) eligible for Medicare payments.

We believe that we must respond quickly to Senator Nickles to have any chance of avoiding another legislative confrontation over abortion policy. This memo provides background information and policy options for your consideration.

Background

Earlier this year, the Catholic Health Association (CHA) contacted HHS and the White House about a ruling by a HCFA regional office that a Catholic-run PSO could participate in Medicare only if it agreed to cover qualified abortions for women with disabilities. The CHA vehemently objected to this ruling and asked if we could intervene administratively. At the same time, the CHA contacted Senator Nickles' office. The CHA discussed with Nickles both whether the Hyde Amendment applies to Medicare and whether Catholic PSOs can decline to provide all abortions (even those permitted under Hyde) because of their religious objections. The Senator, clearly sensing another abortion wedge issue, wrote to Donna Shalala to obtain the Department's formal position on both of these issues.

Medicare and Abortion coverage. Five million non-elderly disabled Americans -- including two million women -- receive Medicare coverage by virtue of their SSDI eligibility. The Medicare program currently covers about 500 abortions each year, while denying claims in another 100-200 cases. These figures are consistent with those from the Reagan and Bush Administrations.

In 1991, HCFA issued a reimbursement directive stating that Medicare would cover abortion services only in cases where the life of the mother was endangered. (Prior to this

time, there was no clear guidance on the subject.) This directive, which comported with the then-existing Hyde Amendment, is actually more restrictive than the current Hyde amendment, because it fails to cover abortions arising from rape and incest. The directive, however, has not been modified, and remains the only policy guidance on abortion coverage under the Medicare program.

Although we believe that most Medicare carrier medical directors have largely complied with this directive, some may have covered other kinds of abortions -- e.g., abortions arising from rape or incest, abortions involving deformed fetuses, or other medically necessary abortions. In particular, carriers may have decided to cover some very difficult cases involving the one-third of women on Medicare disability who have some serious mental impairment (about 700,000 women). Such individual coverage decisions may help explain why no one on the pro-choice side of the abortion debate has ever complained about our coverage policy.

Legislative and Political Environment. The Nickles' letter has started yet another controversial abortion debate. The CHA is working with Senator Nickles and others on drafting legislation to make clear that Hyde applies to Medicare, as well as to exempt organizations with ethical or religious objections from any abortion coverage requirements. (CHA and Nickles have gotten the impression from HHS that Hyde does not apply to Medicare and that the religious convictions of Catholic PSOs cannot be fully accommodated.) Absent administrative action, there is no doubt that we will see this issue raised on some appropriations bill. At the same time, the womens' groups have become aware of this issue and are urging the Administration to adopt a generous Medicare abortion coverage policy.

In the next few months, the Administration will have to deal with several other controversial abortion issues. Most notably, the Republicans will bring up the partial-birth abortion legislation sometime prior to the November elections. In addition, Republicans in both the House and Senate will attempt to pass a bill, which most in the Administration strongly oppose, to prohibit transferring a minor across state lines to bypass parental consent requirements. Finally, we can expect the usual abortion riders to appear on appropriations bills.

Options

All of your advisors (HHS, OMB, and DPC) agree that we should offer the CHA a new administrative option that allows Catholic health plans to participate in Medicare without covering any abortions, so long as they accept a slightly reduced capitated payment. We do not know whether CHA will accept this offer, but we think it may do so, particularly if the offer is combined with CHA's preferred outcome on the Hyde issue.

The outstanding question is whether Hyde applies to Medicare. We all agree that we should inform Nickles that current Medicare policy, as set out in the 1991 directive, is to

cover only abortions necessary to protect the life of the mother. We also all agree that because this “life of the mother” standard is more restrictive than the current Hyde amendment, we should modify the directive to cover at least abortions arising from rape and incest. We have not reached consensus, however, on whether we also should cover any other abortions (i.e., abortions that Hyde generally prevents the federal government from funding). We see two viable options:

Option 1: Rule that the current Hyde Amendment (allowing funding where the life of the woman is in danger or in cases of rape and incest) applies to Medicare. Under this option, we would take the position that since some Hyde-covered appropriated funds are deposited into the Medicare Trust Fund, all Medicare expenditures must abide by the Hyde restrictions. We then would update our Medicare coverage policy to reflect the current, comparatively expansive Hyde Amendment. DPC and OMB support this option.

Pros:

- This option is most likely to avoid a legislative showdown on abortion funding that we are unlikely to win.
- This option is consistent with our current position on Medicaid funding, and will cover more abortions than the current policy allows.
- This option will enhance our ability to reach an agreement with the CHA on the PSO abortion coverage issue.

Cons:

- This option may expose us to criticism about non-coverage of extremely sympathetic cases involving vulnerable and disabled women.
- This option will anger womens’ groups, which would prefer us to provide Medicare coverage of the widest possible range of abortions, even if doing so would provoke the Republicans to enact contrary legislation.

Option 2: Rule that Medicare can cover abortions necessary to protect the health of the woman (in addition to abortions allowed by Hyde). Under this option, we would segregate appropriated funds from non-appropriated funds (payroll taxes, premiums, etc.) in the Medicare Trust Fund and use the non-appropriated (and hence unrestricted) funds to pay for the health-related abortions. HHS supports this option.

Pros:

- This option will ensure that all abortions necessary to protect a woman’s health are

covered, and will allow us to avoid criticism arising from non-coverage of highly sympathetic cases involving vulnerable and disabled women.

- This option will assuage the womens' groups by providing for Medicare coverage of a larger class of abortions.

Cons:

- This option will virtually guarantee a legislative battle with Nickles and his allies on the appropriateness of using public funds to pay for abortions. We should expect to lose this battle and to have to veto a bill over government funding of abortion.
- This option diverges from this Administration's past practice on government funding of abortions.
- This option might well undermine our ability to reach agreement with the CHA on the PSO abortion coverage issue.

Recommendations

As noted, DPC (Bruce, Chris, and Elena) and OMB support Option 1, because (1) it is most consistent with this Administration's prior practice on government funding of abortions and (2) it stands the best chance of avoiding a high-profile legislative battle -- on both the Hyde and PSO issues -- that we are unlikely to win. HHS supports Option (2) because of the special vulnerability of the population seeking abortion services under the Medicare program. Counsel's Office takes no position as between the two options.

Draft 6/16/98 11:30am
Jordan Tamagni

THE PRESIDENT HAS SEEN
6-16-98

98 JUN 16 AM 11:45

PRESIDENT WILLIAM J. CLINTON
REMARKS FOR AFTERSCHOOL EVENT
THE WHITE HOUSE
JUNE 17, 1998

copied
Waldman
Tamagni
COS

Remarks for
Afterschool
Event
See response change

Acknowledgments: TK

THE PRESIDENT HAS SEEN
6-16-98

~~When I was growing up, my mother was able to work to support me without worrying about where I would be after school, because my grandparents took care of me while she was away. But~~ As Hillary and [working mother to be announced] made so clear^{for}, millions of American

~~"Home Alone" is not a funny movie - it's a ~~aff~~ families do not have that option -- and our children are a high cost for many children, + parents pay, paying the price.~~

On any given school day in America, in big cities, in suburbs, and small towns, as many as 10 million children with working parents are left to fend for themselves after school lets out.

-6-16-98

During those critical hours, away from the watchful eyes of caring adults, a troubling, even frightening world often emerges where too many children are left to idle in front of the television set, or roam the streets, *all too often in*
a

~~It is a world of untapped potential, where our children are not challenged to make the most of their God-given abilities. And all too often, it is a lawless world of gangs and drugs and guns. We know that 1 out of 3 crimes~~ *(isn't it wrong?)*
committed by young people occur between the hours of 2:00 and 8:00pm. Nearly 2 out of 3 of all gang-related crimes occur in the hour^{s?} after school lets out. Our children are at greatest risk of becoming victims of violent crime at 3pm, the end of the school day.

But in ~~many~~ communities where children have something positive to do in the hours between the time school lets out and when parents come home from work, youth crime is dropping -- and academic performance is on the rise.

Today, the Justice Department and the Department of Education are releasing a report that shows just how much of a difference these afterschool programs are making in our communities and in our children's lives. This report, which will be sent to every public school district in the country, highlights afterschool programs that are working to make our communities safer and our children's futures brighter.

In Chicago, for example, the Lighthouse program is reaching more than 110,000 children, in nearly 250 schools around the city, with intensive instruction in reading and math. And this remarkable program doesn't just nurtures their minds, it nourishes their bodies with three square meals a day. Since the Lighthouse program began, youth gang activity is beginning to go down, and reading and math scores have begun to go up.

They don't feed
110,000 children -
now give 40,000 more
that long with it

There is no reason every school district in the country cannot do this -- and we must do everything we can to help them. Today, I am pleased to announce nearly \$40 Million in competitive grants to help more than 300 schools follow Chicago's lead.

These grants are part of the 21st Century Learning Center initiative started by Senator Jeffords, which uses the enormous resource of our public schools to give thousands of children a safe place to go before and after school. They will fund afterschool activities ranging from anti-drug education to tutoring and homework help, to recreation and community service.

These grants are an important step -- but they are just a beginning. Because for every grant we were able to give, another 20 schools applied. And for every child lucky enough to be in an existing afterschool program, another child must do without.

Last year, at the first-ever White House Child Care Conference, I was proud to announce our historic plan to invest \$20 Billion to make affordable, quality child care available to every working family who needs it. Our plan also made the largest commitment to afterschool programs in our nation's history -- investing \$200 million a year to expand the 21st Century Learning Centers program to reach half a million children every year.

I am pleased that afterschool programs have such broad bipartisan support. We all agree that our children should be in school, not on the streets. We all agree that our children should have teachers and responsible adults as role models, not drug dealers and gang leaders.

6-16-98

And I am confident that Congress will act soon to fully
fund the 21st Century Learning Centers Initiative, and
 help our children say no to drugs and alcohol and crime,
 and yes to reading, soccer, computers and a brighter
 future.

That is the kind of bipartisan support ^{American needs} ~~that is helping~~
~~us~~ to meet our greatest national challenges. ^{Whenever we choose} ~~But there is~~
 no question over past year, the American people want,
 something happening on Capitol Hill that is not
 W/ the Econ doing well, we have more time to recover
 bipartisan -- and ~~threatens to undermine our progress:~~
 to attach ~~another~~ ^{another} problem that stands in the way of
 the misguided and risky plan to abolish the income tax
 our children's future. We have to keep it going.
 code. That's why I am very concerned about ~~the~~ a
 movement on Capitol Hill that is not bipartisan
 the threaten our progress -- the superficially
 appealing but misguided & risky plan to abolish
 the income tax code.

6-16-98

For nearly six years, we have worked hard to build our economy and expand opportunity for our families, by reducing the deficit, opening new markets to American goods and services, and investing in our people. Today, our economy is the strongest in a generation: our budget balanced -- with a surplus -- for the first time since 1969 ... more than 16 million new jobs ... unemployment at a 28 year low ... and the ~~lowest~~ ^{70% of people on welfare in 29 yrs.} biggest decrease in the welfare rolls since 1970.

We have worked hard to establish the confidence and sound policies that helped to spur this growth. This is no time to ~~throw that all away~~ ^{risk all that} by throwing out the current tax code without a replacement system in place, ^{even w/ so much econ instability in some parts of the world.}

6-16-98

~~The uncertainty~~
 The uncertainty that such an irresponsible act would
 Because business leaders & individuals would
 not know the tax consequences of any investment they
 bring about could destabilize our financial markets,
 make, abolishing the tax code & its replacement could destabilize
 financial markets;
 undermine confidence, and threaten the fiscal strength

we have built. It could very well put our families' health
 insurance, home values, and retirement savings at risk.

We have cut taxes and made it easier for people to
 We are negotiating major reform of the IRS, which has forced businesses
 pay taxes, ~~and~~ we are willing to examine any sensible
 House of Congress would move already have been sent to me to sign
 into law.
 proposal to simplify the tax code. But we cannot afford

to risk our hard won prosperity on what amounts to a
 roll of the dice. Congress should refuse to "sunset" the
 tax code unless and until it has a sensible, fiscally
 responsible replacement system that honors our
 commitments to our families and to our future. Thank
 you. ~~Bob Dole~~



Orthodox Union

UNION OF
ORTHODOX
JEWISH
CONGREGATION
OF AMERICA

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June 8, 1998

'98 JUN 16 AM 9:12

Ms. Ann Lewis
Assistant to the President
Director of Communications
The White House
Washington, D. C. 20502

Dear Ann,

Enclosed please find the next missive to the President. The piece is entitled "*Moses and Aaron - between a Grumbling People and a Jealous God*" and is authored by Professor Uriel Simon. He is a Professor of Bible at Bar-Ilan University, where he heads The Institute for the History of Jewish Bible Research. He is also Visiting Professor of Bible at Yale.

Sincerely,

Rabbi Menachem Genack

6-16-98

Send to Mr. Lie?

Yes

No

The Institute for the History
of Jewish Bible ResearchHead of the Institute: **Prof. Rimon Kasher**

Dir. of the Project of Spanish Exegesis:

Prof. Uriel Simon

Dir. of the Project of Mikra'ot Gedolot 'Haketer':

Prof. Menahem Cohenהמכון לתולדות
חקר-המקרא היהודיראש המכון: **פרופ' רימון קשר**

מנהל מפעל פרשנות ספרד:

פרופ' אוריאל סימון

מנהל מפעל מקראות גדולות 'הכתר':

פרופ' מנחם כהן**Moses and Aaron – between a Grumbling People and a Jealous God**

Moses and Aaron were chosen by God, not elected by the people. Naturally, then, Korah and his company, challenging Moses' leadership and Aaron's priesthood, concentrated their efforts on undermining this claim of Divine election. Korah's complaint against the two brothers was theological: "You have gone too far! For all the congregation are holy, every one of them, and the Lord is among them; why then do you exalt yourselves above the assembly of the Lord?" (Numbers 16:3). In other words: The Lord, residing in His Sanctuary, is thereby ever-present amongst His people; the injunction, "You shall... be holy to your God" (Numbers 15:40), was addressed to **all** the people. No one person, therefore, may maintain that he or she is holier than others and claim sole leadership on such grounds. Indeed, if sanctity is no longer seen as a matter of personal endeavor but as an innate right, by dint of which every person is potentially a priest, there is no question of particularly worthy people being singled out by Divine choice. When the equality of all humankind as created in God's image becomes a pseudo-democratic slogan, bandied about by power-hungry demagogues, rather than a basis for human dignity and the rights and duties of the individual, the road is paved to anarchy.

Dathan and Abiram, however, put forward a purely political accusation: "Is it a small thing that you have brought us up out of a land flowing with milk and honey, to kill us in the wilderness, that you must also make yourself a prince over us?" (Numbers 16:13). That is to say: A leader who brought his people out of the fertile land of Egypt (a demagogic argument, ignoring the bitter reality: Egypt's slaves had no part in her plenty), promising to bring them to a land flowing with milk and honey, but had instead condemned the present generation (after the episode of the spies) to wander in the wilderness until they die out – such a leader had forfeited his people's trust; they no longer considered him a messenger from God, to be obeyed without question. Faced with such total rejection, Moses realized that he could not resolve the crisis without requesting the punitive intervention of the invisible God. He therefore proposed two dangerous tests, putting everything in the balance. The first test would show not only that God would punish Dathan's

and Abiram's revolt by death, but that the punishment would be accomplished in an unprecedented way, demonstrating that rebellion against Moses was tantamount to rebellion against the Lord:

If these men die the common death of all men, or if they are visited by the fate of all men, then the Lord has not sent me. But if the Lord creates something new, and the ground opens up its mouth, and swallows them up, and they go down alive into Sheol, then you shall know that these men have despised the Lord (vv. 29–30).

Korah's success in assembling "all the congregation" to witness his challenge to the leadership of Moses and Aaron aroused God's wrath, and He commanded them, "Separate yourselves from among this congregation, that I may consume them in a moment!" (v. 21). But the two brothers could not agree to this harsh judgment; unwilling to abandon the people, they fell on their faces and implored the Lord to distinguish between active rebels and hangers-on: "Shall one man sin, and wilt Thou be angry with all the congregation?!" (v. 22). God responds, permitting them to save the congregation from the terrible fate of Dathan and Abiram by warning the people to distance themselves – demonstratively – from the camp of "these wicked men" (v. 26). The people understood in time that a dreadful Divine punishment was imminent, heeded the warning and escaped death.

In the second test, two hundred and fifty leaders of the congregation, who had demanded to participate in the sacred service, were summoned to offer incense in the Sanctuary together with Aaron, in order to determine who was permitted – and worthy – to do so: "Take censers...; put fire in them and put incense upon them before the Lord tomorrow, and the man whom the Lord chooses shall be the holy one..." (vv. 6–7). As the death by burning of Aaron's two sons, as a punishment for offering incense with unholy fire (Leviticus 10:1–2), was surely a vivid memory, it hardly seems reasonable that the two hundred and fifty leaders walked knowingly into a death trap or that Moses would have proposed such a measure. Rather, both sides to the dispute expected the Divine will to make itself known not negatively, by branding those rejected, but positively, by singling out the chosen one. Clearly, however, the Lord saw the provocative challenge to Aaron's priesthood as a most severe offense, and the punishment indeed recalled that of his sons: "And fire came forth from the Lord, and consumed the two hundred and fifty men offering the incense" (v. 35).

This should surely have been proof positive of the special sanctity of Moses and Aaron. However, the people's rebellious spirit was kindled once again by the very deadliness of the proof: "But on the morrow **all** the congregation of the people of

Israel murmured against Moses and against Aaron, saying, ‘You have killed the people of the Lord!’” (v. 41). God’s reaction was swift and terrible; once again, He commanded Moses and Aaron, “Get away from the midst of this congregation, that I may consume them in a moment” (v. 45). In God’s view, obviously, the people, by accusing Moses and Aaron of killing the incense bearers, were not only identifying with the dead rebels but once again raising the banner of rebellion: Moses and Aaron, defending their leadership at the cost of their rivals’ lives, had proven that they indeed exalted themselves above ‘the people of the Lord.’ But Moses and Aaron once again disobeyed God’s command, remaining with their flock to obstruct the ultimate punishment and again falling on their faces. This time, however, they could not raise their voices in entreaty, for this new challenge encompassed the whole congregation, and there was no distinction between leaders and hangers-on. Instead of abandoning the stubborn people to an awful fate, Moses said to his brother Aaron: “Take the censer, and put fire therein from off the altar, and lay incense on it, and carry it quickly to the congregation, and make atonement for them; for wrath has gone forth from the Lord, the plague has begun” (v. 46). And Aaron, though commanded by Moses to enter the very place that the Lord had commanded them to leave, obeyed without question:

So Aaron took [the censer] as Moses said, and ran **into the midst of the assembly**; and behold, the plague had already begun among the people; and he put on the incense, and made atonement for the people. And he stood between the dead and the living; and the plague was stopped. Now those who died by the plague were fourteen thousand seven hundred, besides those who died in the affair of Korah. And Aaron returned to Moses at the entrance of the tent of meeting, and the plague had been checked (vv. 47–50).

Moses and Aaron preferred to save the people, who were accusing them of the most heinous crime, rather than save themselves. They risked their lives, acting on their own initiative, in the knowledge that God does not wish for sinners to die, only that they should repent their sins. And thanks to Aaron’s efforts, standing fearlessly between the dead and the living, the terrible plague was halted; the children of Israel were shown that their jealous God responded to the supreme devotion of their leaders. Blessed is the people that has leaders of whom it is not worthy.

URIEL SIMON

Uriel Simon

THE WHITE HOUSE
WASHINGTON

Date 6/16/98

To: PODESTA, MATTHEWS, ECHANESSE,

From: The Staff Secretary RAM

COMMENTS? WILL

BE SENT TODAY IF YOU

OK .

-JEAN!

DRAFT
June 16, 1998

The Honorable George Voinovich
Chair
The Honorable Thomas Carper
Vice Chair
National Governors Association
444 North Capitol Street
Washington, D.C. 20001

Dear Governor Voinovich and Governor Carper:

In response to your request for clarification about my position to S. 1415, the National Tobacco Policy and Youth Smoking Reduction Act, I am writing to reiterate my strong opposition to actions by the Senate to further reduce the State Litigation Settlement Account or impose any additional restrictions to it. Since the beginning of the Senate floor debate, I have opposed amendments that reduce the ~~original 25-year~~, \$196.5 billion state allocation that was envisioned in the original agreement by the Attorneys General.

It is my firm belief that we would not be having a debate on bipartisan comprehensive legislation without the efforts of the states and their Attorneys General. As such, I will insist that any legislation adequately reflect the important state contributions to reducing the use of tobacco by our nation's children. I believe this commitment was evident in the joint agreement we reached on the level and uses of state funds included in the McCain manager's agreement.

The continued leadership and engagement of the Governors is essential to passing tobacco legislation this year. As experienced lawmakers, you know that this bill will go through a number of changes before final passage. I want to reiterate my strong commitment to working with you in the weeks ahead to ensure that a strong, equitable and comprehensive tobacco bill is enacted into law.

6-16-98
U.S. World Trade
Southern
California's
Newspaper

WASHINGTON EDITION

Los Angeles Times

Thursday
June 11
1998

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COLUMN ONE

Stepchild of Secular Turkey

■ The success of Islamists has alarmed military leaders, who are cracking down on the movement. But Turks remain divided over Islam's place in society.

By RICHARD BOUDREAUX
TIMES STAFF WRITER

ISTANBUL, Turkey—Nearly everyone in Istanbul, one of the world's fastest-growing and most unruly cities, will tell you that Recep Tayyip Erdogan is doing a better job of managing the chaos than they ever thought possible.

Thanks to the 44-year-old mayor, they say, the city is cleaner and greener. Garbage is picked up regularly, trees are being planted, and hard coal has replaced the lignite that once fueled a choking smog. New dams and pipes channel more water to people's homes. And there is no hint of the corruption that bled city hall under many of his predecessors.

If Erdogan exemplifies a new populist energy in Turkey's urban politics, Erol Yazar, 38, is a poster boy for the rising class of self-made entrepreneurs from its booming Anatolian heartland.

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Bergen
COS

If Erdogan exemplifies a new populist energy in Turkey's urban politics, Erol Yazar, 38, is a poster boy for the rising class of self-made entrepreneurs from its booming Anatolian heartland.

A U.S.-schooled systems analyst whose firm makes powdered fruit juices, Yazar is also founder and president of the country's largest chamber of commerce. He leads missions as far-flung as Jakarta and Chicago promoting Turkish exports.

In most nations, achievers such as Erdogan and Yazar would go far. But Turkey's military commanders are alarmed by their success and want to throw both men into prison because they are Islamists.

Criminal cases against the two—for impassioned words judged perilous to national security—are part of an army-led crackdown on the parties, businesses, charities, schools and dress code of an Islamist movement that seeks a bigger role for religion in public life. A year after engineering the demise of Turkey's first elected Islamist-led government, the generals are striking deeper into society to enforce a rigid brand of secularism that limits religious expression in public life.

Turkey has been torn for decades between a modernizing, secular establishment that aspires to belong to Europe and the religious values of a population that is 99%

Please see TURKEY, A5

WORLD

TURKEY: Cracking Down on Islamist Movement

Continued from A1
Muslim. The conflict has sharpened in recent years with the election of Islamists to public office.

The outcome—and whether it's decided peacefully or by force—has importance beyond Turkey's borders.

A stable, democratic Turkey is a strategic priority for the West, which values it as a trading partner and a security buffer against radical Islamic regimes in the Middle East. Turkey is a member of the North Atlantic Treaty Organization and controls abundant west-bound flows of oil and gas from the former Soviet Union.

'Most Open Society in the Islamic World'

It's more than location, however, that makes Turkey pivotal. "Turkey is the most open society in the Islamic world," says a European official in Ankara, the capital. "That makes it the ideal laboratory to test whether Islam and democracy can be compatible."

At first glance, there seems to be room for everything in Istanbul, a metropolis of 8 million people, and in other Turkish cities, where glass office towers and glitzy shopping malls spring up among mosques and minarets. What propels Islamists such as Erdogan and Yasar into the mainstream is a mix of religious piety, free-wheeling politics and open markets.

But Turks are deeply divided over Islam's proper place in society. Islamists object to a ban on women's head scarves in public buildings and mandatory secular education for children through eighth grade. Secularists fear an erosion of women's rights in a more religious state. The rift is straining what passes here for democracy.

Early this year, Turkey's highest court outlawed the country's biggest political party, Welfare, ruling that the group had tried during a stormy year in government to replace the secular order with one based on radical Islam. The court, condemning their rhetoric more than their policies, barred seven Welfare leaders from politics for five years.



MEHMET BILGE / For The Times

No symbol of Islam is more ubiquitous or divisive in Turkey than the female head scarf.



MEHMET BILGE / For The Times

Woman and child at tomb of Turkish secularist leader Atatürk in Ankara.

Two mayors who belonged to the party, including Istanbul's Erdogan, have been put on trial. The Interior Ministry is investigating 37 other mayors for such "subversive" acts as awarding contracts to Islamist-led companies. Four have been removed from office.

In April, anti-terrorist police raided the homes of 16 investors in a coordinated predawn strike and arrested 15 on charges that their insurance company was financing Islamist politics. The 16th suspect was not home, so police held his wife until he surrendered.

Hundreds of presumed Islamists have been purged from the army and the civil service. Donors to Islamist charities are harassed by tax inspectors. Lists of Islamist merchants are circulated by the authorities with a warning: "Don't shop here, or you will undermine

Gen. Cevik Bir, the deputy chief of staff of the armed forces, defended these steps in a recent speech, calling Turkey "a security-producing country" that shields Europe from Islamic fundamentalism and other threats.

Nation's Struggle With Its Identity

But the crackdown disturbs civilians in the governing secularist coalition, which is divided over how far to push it.

"The generals want to reorder society by decree, reducing Islam

to a ceremonial function," said Cengiz Candar, a pro-secular columnist for Istanbul's Sabah newspaper. "By not distinguishing between the merely pious and the truly fundamentalist, they are offending a majority of the people."

Turkey's struggle with its identity dates to the fall of the Ottoman Empire to Allied forces in World War I. Mustafa Kemal initially used Islam as a rallying cry to drive out the Western occupiers, then suppressed it to create the secular republic that is modern Turkey.

Assuming the name Atatürk—Father of the Turks—he moved to westernize the country by fiat: He closed religious courts and schools, banned Islamic veils and chadors, outlawed polygamy, and replaced the Arabic alphabet with Roman letters. After his death, Islamic schools were weakened, but secular

Most Turks today reverence Atatürk and accept the army's role as constitutional guardian of his ideology. The fundamentalist takeovers of Iran and Afghanistan, in their view, are reason enough to regard fiery Islamist expression at home as something more dangerous than free speech.

Mayor Erdogan was indicted for an address to supporters that included these lines of a poem:

*The mosques are our barracks,
The domes are our helmets,
The minarets are our swords,
And the faithful are our army.*

Never mind that the poem by Ziya Gokalp was written to inspire Atatürk's freedom fighters and is taught today in Turkish schools; the mayor was accused of urging people to form "an army of jihad," or holy war, and "inciting hatred." Sentenced to 10 months in prison,

Yarar faces the same charge for a speech against new curbs on Islamic schools. "The minds of the people behind this should be changed; otherwise, their heads should be cut off," a prosecutor quoted him as saying. Yarar, who awaits trial, says he does not remember his exact words.

The stakes are high. If he is convicted, his 3,000-member Independent Industrialists and Businessmen's Assn. could be shut down—the same way the Welfare

Party was banned for its leaders' combative words.

In an interview, Yarar said the criminal cases have less to do with religion than with rivalry between a generation of upstarts and Turkey's old political and financial elites.

The country's embrace of free markets in the early 1980s triggered an economic boom that is still swelling the cities with religiously conservative rural migrants and opening business opportunities. But the growth, accompanied by wasteful public spending and high inflation, left many of Turkey's 65 million people behind.

Islamists were the big winners. One group was the Welfare Party, whose rhetoric appealed to traditional religious values of the new urbanites.

The other was the "Anatolian lions," who dominated new business in the country's Asian interior. More so than their older, Istanbul-based rivals, the young "lions" grouped in Yarar's association observe Islamic teaching, which bars paying interest on loans, and rely on a network of partners to raise cash.

With support from the "lions," Erdogan and other Welfare candidates won city halls across Turkey in 1994, delivered efficient local services and rose to national power in 1996 at the helm of a coalition government. But Prime Minister Necmettin Erbakan defied the old elites by trying to make friends with Libya and Iran and by refusing to curb the growth of Islamic schools. He resigned last June in the face of a threatened military coup.

Yarar's beard tags him as an Islamist in Turkey, but he also favors three-piece suits. Although his movement is no longer in power, he exudes the confidence of an unstoppable force.

"Twenty years ago, there was virtually no industry in Anatolia, but now we have factories in every city there, and they produce 10% of the national wealth," he said. "Naturally, the big Istanbul magnates feel threatened. They pin Ataturk's bust in their lapels and use ideological terms, like Islamism, to manipulate other political parties and the army against us."

"But it's really about economic rivalry. There are religious values in how we do business, of course. We're pious people. Our success, though, comes mainly from hard work and Anatolia's low costs compared to Istanbul's. There's nothing radical about it."

The generals disagree. Yarar's indictment in May followed a National Security Council ultimatum to step up the "fight against extremism" by putting thousands of Islamist enterprises under scrutiny and state regulation. The enterprises channel \$250 million a year to Islamist political causes, says the army, which wants the flow stopped.

When the generals bark, Prime Minister Mesut Yilmaz usually listens. Taking over from the Islamists, he pushed last summer to increase mandatory secular education by three years to a total of eight years; the law closed junior high sections of religious schools that the army had labeled as breeding grounds for fundamentalists.

But Yilmaz has been slow to enact the army's latest ultimatum. He is trying to woo religious Turks away from the still-powerful Islamist camp and does not want to offend them all.

Battles Over Skins of Sheep, Head Scarves

Two battles—over sheepskins and head scarves—are particularly sensitive because they touch large numbers of Turks.

Each spring, thousands of sheep die in the Muslim Feast of Sacrifice. For the past six years, state-appointed secular charities have had the exclusive right to gather and sell the valuable skins.

This spring, however, Yilmaz bowed to pressure from his religious supporters. In a decision that could be challenged by the army, he allowed private charities, including those run by Islamists, to market the sheepskins and use the money as they like.

No symbol of Islam is more ubiquitous or divisive in Turkey than the female head scarf, and nowhere has the head scarf been more beleaguered this year than at

Istanbul University, the country's oldest learning institution.

Fadime Oztoprak participated in big demonstrations there early this year that erupted after the government demanded enforcement of the often-ignored ban on head scarves in public offices and universities. The protesters, a sizable minority on campus, appeared to have won a reprieve until autumn.

But Oztoprak, 21, is disturbed by rumors that scarves will be banned during upcoming final exams. Torn between a Koranic mandate to cover her head in the presence of men and a hope to graduate this month, she says she is too upset to study.

The business major was leaving campus in an ankle-length skirt, a long-sleeved blouse and a black silk scarf patterned with tiny silver leaves. She paused to speak to a male reporter but refused to shake his hand; she avoids physical contact with the opposite sex.

"They portray me as an enemy of the state, then they violate my freedom by imposing this choice on me," she said. "A choice between career and belief."

There is a way out. Some students are wearing wigs—mostly garish blond ones—atop their scarf-covered heads in mocking evasion of the rule. Oztoprak smiled at the idea.

Turning serious again, she added: "When I look at women who don't cover their heads, I feel bitter in my heart. Instead of unifying people, the state is dividing us."

The bitterness cuts two ways. Ozge Ozer, a 24-year-old law student with uncovered reddish-brown hair, stopped on the same leafy walkway a minute later and, asked her opinion, denounced head scarves as "primitive."

"If those women don't want to be enlightened, why come to a university?" she wondered aloud. "If they ever become a majority, we'd all be forced to wear those scarves."

Resilient Islamists Are Not Giving Up

Turkish Islamist leaders deny harboring an agenda to impose fundamentalist rule, but they are

widely distrusted. At what point, asked political scientist Feride Acar, might Islamists stop defending "freedom of choice" and insist on "the dictates of religion?"

"It wouldn't stop with the head scarf," said Acar, who teaches at Ankara's Middle East Technical University. "Religion also demands that a proper Muslim woman agree to polygamy, that men and women have differential shares of inheritance, that the woman's role be to raise Muslim children—a reversal of everything Turkey has achieved in the last 70-some years."

Seeking another chance, the resilient Islamists have regrouped as the Virtue Party. Where Turkey goes from here depends on how the new party's leaders speak and act and whether the army would allow them to regain power by the ballot.

Virtue is well organized at the grass roots and backed by 20% to 25% of the electorate in opinion polls. If given a fair chance, the party would probably finish first in the election that must be held by 2000, most analysts agree. If the party is blocked, they warn, Turkey could slide toward violence as Algeria did when Islamists there were denied victory at the polls.

For now, Turkey's Islamists sound chastened—not radicalized—by their setbacks and eager to shed their militant, anti-Western image.

The all-male crowd that ran Welfare has admitted three women to the new party's 30-member leadership. Although men and women were segregated at its founding rally, not all the women wore head scarves. The new party line stresses human rights and conciliation. Its leaders even laid a wreath at Ataturk's mausoleum.

Without a pretext to ban Virtue, the generals seem intent on attacking its financial sources and its most popular figures.

"Turkey is accustomed to these winds of repression," the mayor told foreign journalists last month, recalling the military coups of recent decades. "We breathed this air in the 1960s, again in the '70s and '80s, and we are breathing it now. But Turkey is not Algeria. Our people will show their feelings in the next election, and this air will blow away."

Gide's own study of Wilde (which Edmund Wilson, who loathed Gide, once called the best thing ever written on the subject), Fryer's prose is a preposterous substitute for literary criticism or biographical probity: "Blond, twenty-one, masculine and obtuse, Sherard was one of a long series of bewitched young admirers whose attentions Oscar so savored, though until his seduction by the young Robert Ross in 1886, Oscar seems not to

this remark was perceptive, a view aptly characterizing his entire enterprise, which of course is called "André and Oscar." Fryer may not write well, but he is very intimate with his authors.

Even the editorial page of the New York Times has recently found it pertinent to remark on the amount and diversity of attention paid to Oscar Wilde these days, of which attention these books are but a representative sampling which

mentioning (noticing?) that his author was a gay man. The fact is that we are now, at many points of our consciousness, both as individuals and as a society, much more concerned to transform our notions of what a gay man and a gay writer is—or was—than ever before; Wilde has become the empty space in which we inscribe our explanations, our much-altered hopes and fears of what a homosexual man is and might be. How valuably

atonement to a mistreated homosexual that this should be so, but an act of honor to a great writer.

Richard Howard is a poet and translator. He teaches in the writing division of the School of the Arts, Columbia University.

Los Angeles Times

A Times Mirror Newspaper

6-16-98

SOLARZ ASSOCIATES
1120 BELLVIEW ROAD
MCLEAN, VIRGINIA 22102

TEL: (703) 759-4116
FAX: (703) 759-0052

*1. cc [unclear]
[unclear]
This is pretty
good I think*

June 10, 1998

President William Jefferson Clinton
The White House
1600 Pennsylvania Avenue
Washington, DC

Dear Mr. President,

Doug Johnson told me the other day that you were looking for some new and hopefully creative thinking about what to do concerning the nuclear crisis in South Asia.

For better or worse, the attached memo contains my thoughts and recommendations on the subject.

Squaring the circle between our global interest in preventing proliferation and our regional interest in good relations with India and Pakistan won't be easy. But as I suggested in my memo, with some quiet and creative diplomacy it can be done.

Cordially,

*copied
Benger
COS*



June 10, 1998

To: President Clinton

From: Steve Schwarz

Re: Turning Adversity to Advantage With India and Pakistan

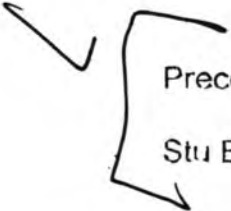
In the wake of India and Pakistan's recent nuclear exhibitionism, **your forthcoming visit to South Asia provides an opportunity to score a major diplomatic and political triumph by negotiating a series of agreements with Prime Ministers Vajpayee and Sharif, that would simultaneously advance our global interest in non-proliferation, while avoiding what could be a prolonged downward spiral in our relations with both countries.**

Based on a recent trip to Delhi, where I met seriatim with the Prime Minister, Defense Minister, Home Minister, Finance Minister, and Foreign Secretary, I believe **there is a way to turn the adversity of their nuclear testing into the advantage of some meaningful non-proliferation agreements – not only with India but with Pakistan as well.**

My assessment of the prospects for a satisfactory resolution of the current crisis is based on the following assumptions:

- 1) Neither India nor Pakistan is prepared to wholly renounce their nuclear option by joining the NPT as a non-weapons state and any effort to induce them to do so is doomed to failure;
- 2) It should be possible, nevertheless, to persuade both Prime Minister Vajpayee and Prime Minister Sharif to accept essential elements of the global non-proliferation regime;
- 3) The U.S. interest in a constructive and cooperative relationship with India and Pakistan will be put in jeopardy by the continued and prolonged application of sanctions;
- 4) For the U.S. to lift sanctions – which will require the passage of legislation by Congress—there will have to be some meaningful changes in the nuclear policy of both countries for the House and Senate to justify such an action.

The solution to the problem lies in your forthcoming visit to South Asia.



Preceded by some quiet and creative diplomacy (for which Tom Pickering, Stu Eizenstat, or a Special Envoy like Frank Wisner would be well

06/10/1994 11:14 0001 STEPHEN SOLARZ PAGE 115

suite 1). I believe it should be possible for you to announce at summit meetings with both Prime Ministers a set of understandings and commitments in which they would agree to:

- 1) Sign the CTBT;
- 2) Abide by the provisions of the NPT prohibiting the transfer of nuclear weapons and nuclear weapons technology to third countries;
- 3) Join the MTCR;
- 4) Work with the U.S. to secure the adoption of a new treaty prohibiting the further production of un-safeguarded fissile material (and quite possibly to join the U.S., China, and Russia, in undertaking not to continue the production of these materials pending the adoption of such a treaty);
- 5) Refrain from weaponizing their fissile material in the absence of a threat to their "supreme national interests" (which reflects the clause in the NPT, which gives the signatories to that treaty a right to withdraw from it).

While I have not discussed this with the Pakistani leadership, I have no doubt that Pakistan would agree to any and all of these undertakings if India did so and, based on my discussions in Delhi, I am quite confident that Prime Minister Vajpayee would be prepared to announce his

acceptance of all five of these propositions, if you were prepared to indicate that, as a result of these undertakings, you were willing to:

work with the Congress to secure the adoption of legislation to lift sanctions and restore normal economic relations between our countries;

work with India (and Pakistan), for the purpose of nuclear related technology transfers, on the same basis that we now treat China. (This would not obligate us to license any particular or proposed sale to either country, but it would mean that they were not absolutely precluded, as they are now by both law and regulation, from acquiring nuclear related equipment or technology).

Were you to announce such a set of undertakings in the context of your visit to the Sub-continent, it would be seen both at home and abroad as a major diplomatic and political achievement.

It would advance our interest in non-proliferation by bringing both India and Pakistan into the framework of the global non-proliferation regime. It would facilitate a resumption of cooperative relations with two strategically and politically important countries. It would be hailed by the media as a creative diplomatic solution to a seemingly intractable problem.

it would be greeted with widespread approval in the Congress. And it would score a lot of points with the increasingly influential Asian-Indian community in the U.S., which will eventually be alienated from the Administration if the sanctions appear to be in place in perpetuity.

The main argument against this will come from some of the more extreme nuclear theologians who will contend that nothing short of getting India and Pakistan to completely abandon their nuclear option by signing the NPT and putting all of their fissile material under IAEA safeguards is acceptable.

If this could be achieved it would undoubtedly, as Shakespeare once wrote, be a "consummation devoutly to be desired." Alas, such an outcome is neither in the cards nor the stars, but lies solely in the dreams of those who would make perfect the enemy of the good.

The package of agreements and commitments I've described may not be the equivalent of nuclear nirvana. But they would constitute major progress toward repairing the breach in the wall of global non-proliferation torn open by the recent nuclear tests in South Asia. And they wouldn't be a bad outcome to a week's worth of your personal time on a trip to the Sub-continent later in the year.

The alternative to what I've suggested is to bay in the wind articulating unachievable objectives which do nothing to advance the cause of non-proliferation but which will leave our relations with India and Pakistan in tatters.

Far better, it seems to me, to have India and Pakistan with their nuclear option left open, and otherwise firmly implanted in the network of legally binding constraints imposed by the global non-proliferation regime, than to have India and Pakistan only with an open nuclear option, but with no obligation whatsoever to abstain from nuclear and missile proliferation activities.

I would, of course, be pleased to discuss this with you in person if you thought it would be useful.

CHINA

THE PRESIDENT HAS
6-16-98

Sanley
fyg
13

TIME FOR PLAIN TALK

Is a real China-U.S. alliance at hand?

Ever since China opened its doors in 1972, it has played a skillful game. With its huge potential market, it could draw billions of dollars of investment from the West strictly on its own terms. And while Japan bankrolled Asia's boom, China handsomely benefited and devalued its currency when it needed to boost exports. Politically, it played the bad boy—supplying arms to unstable regimes in the Middle East, occasionally flexing its military muscle. It was exasperating to deal with China, but as long as Asia boomed and remained stable, Beijing got away with its antics.

Now the freewheeling days are over. China's neighbors are floundering economically, Japan's financial system is crumbling, and India and Pakistan are in a dangerous nuclear arms race on China's doorstep. The world is hoping that Beijing will help bring political and economic stability back to the region. "As China becomes more modernized and integrated with the world, it is recognizing that it has an interest in preserving stability," says David M. Lampton, director of China Studies at Johns Hopkins University.

The shift in Chinese attitudes was crystal clear as the yen crashed to a nine-year low of 141 to the dollar on June 9. China's central bank governor Dai Xianglong told Japan to "take effective measures to stabilize the yen." China has its own reasons to want a halt to the yen carnage. Economic growth is likely to wilt to 6% this year. That's below the official 8% target and under the 7% mark required to prevent a further surge in unemployment, already at 12 million. Dai's jab at Japan said exactly what the rest of Asia—and the U.S.—feels.

It was a great curtain-raiser to President Bill Clinton's China trip, which starts on June 25. Indeed, the dark events in Asia create an opportunity to



THE CLINTON TRIP

forge a real relationship between China and the U.S. Put simply, the two need each other more than ever. America needs China to behave responsibly on the world stage. And China needs U.S. money, knowhow, and goodwill to ease it through the Asian crisis and its own painful reforms.

U.S. negotiators have a long wish list. They want Beijing to stop selling weapons technology to pariah states. They want China to prod North Korea toward reunification with South Korea. And they would like more contacts between the Pentagon and the People's Liberation Army, which is leery of the U.S. They may even get agreement at the summit to hold the first joint naval exercises since World War II. "It's important to break down this wall of suspicion," says Stanley O. Roth, Assistant Secretary of State for East Asian & Pacific Affairs.

STILL CAGEY. Hitting those goals, of course, will be tricky. Clinton has deep political problems at home, ranging from campaign-finance scandals to congressional hostility, especially from the right, to China. China, meanwhile, is still cagey about getting involved in global matters that don't have a direct impact on its own interests. And it just doesn't accept that the U.S. has any security role in Asia.

Still, events in Asia could put U.S.-China relations on a much higher plane. Administrations since the Nixon era have recognized the strategic importance of normal ties with China. To win popular support for "engagement," they have stressed the potential profits from China's huge market. But that argument has

been worn thin by China's expected \$68 billion trade surplus and complaints by frustrated U.S. companies that have yet to make money on the mainland. Critics lambasted America's China policy as the triumph of greed over human rights. Now the White House can shoot back that it is promoting stability over chaos.

Meanwhile, the Asian crises have shown Beijing's leaders how much prestige they can win by acting responsibly. Even before governor Dai's outburst, China resisted depreciating the renminbi,





CHINA-U.S.: THE LONG MARCH

1972 Stunning the world, staunch anticommunist Richard Nixon travels to China, ending two decades of confrontation and isolation.

1978 Jimmy Carter establishes formal diplomatic ties with the mainland and severs official relations with Taiwan.

1979 Relations improve further when Deng Xiaoping makes the first state visit to the U.S. by a high-level Chinese Communist leader. He captures the public's fancy by donning a cowboy hat.

1989 The Chinese military massacres hundreds of political demonstrators in Tiananmen Square. American outrage chills relations.

1995 China feels betrayed when Taiwan's pro-independence President Lee Teng-hui is allowed to visit the U.S. after Beijing had been told he would not.

1996 In retaliation, China conducts missile tests near Taiwan.

1997 With relations back on track, Jiang Zemin visits the U.S.

1998 Bill Clinton reciprocates with a planned visit to Beijing.

averting a torrent of beggar-thy-neighbor Asian devaluations. China is cooperating with the U.S. to limit the damage from nuclear tests by India and Pakistan and participating in U.S.-led talks to ease tensions in the Korean peninsula. "The U.S. needs to recognize that China has been an active player in the current economic crisis and a responsible power," says Su Ge, assistant president at Beijing's Foreign Affairs College.

America can do more than just acknowledge the trend. It has the leverage

to reinforce it. It can give China much of what it craves: markets, investment capital, respect as an emerging superpower.

China has its own agenda, of course, with Taiwan at the top. It wants to edge Washington closer to its own view on reunification—especially as Taiwan's pro-independence Democratic Progressive Party gains ground at every election. As China's leaders see it, says David Zweig, China expert at the Hong Kong University of Science & Technology, "[the summit] is a wonderful time to squeeze Tai-

wan." Ideally, Beijing would like to trade promises to play a responsible world role for U.S. support on Taiwan. "We're like meat on the chopping board," frets Cheng Tuan-yang, associate research fellow at National Chengchi University in Taipei. "One day, Taiwan will be sacrificed."

ANGRY GROWLS. That's unlikely any time soon. The Administration insists it won't budge. Indeed, it just announced plans to sell improved avionics for Taiwan's fleet of F-16s, despite angry growls from Beijing. U.S. officials promise they'll resist Chinese pressure to restate in stronger terms the U.S. position that it won't support Taiwan independence or entry into the U.N.

It's also going to take a long time to agree on economics. Though China says it wants to join the World Trade Organization, economic nationalism remains strong (page 56). The U.S. still needs to convince China that it needs to integrate with the global economy and open itself further to foreign investment and its neighbors' exports. The U.S. is pushing business issues such as the protection of U.S. copyright and intellectual property. "The President should stay the course on the market-opening agenda," says William J. Hudson Jr., CEO of Harrisburg (Pa.)-based AMP Inc., a maker of electronic cable connectors with three plants in China.

All the same, there are some encouraging economic trends in China. Rather than massively dumping cheap exports around the globe, China is looking to its own backyard to pump up growth. Prime Minister Zhu Rongji is opting to stimulate domestic demand by investing \$250 billion in infrastructure this year. And he is pushing controversial reforms to restructure ailing state enterprises—or shutter them for good. Rising unemployment suggests the program is working. If China's domestic companies emerge stronger, it will be easier for Beijing to meet U.S. requirements for WTO entry.

Economic tensions could rise if China shuts out foreign, and particularly U.S., business from the full benefits of economic reform. And China's moves to stimulate its own economy have yet to take effect. As a result, increased unemployment could test the skills—and the will—of Beijing's reformers. "There's a sense among U.S. policymakers that if we get it wrong now, the future looks grim," says University of Michigan business professor Kenneth Lieberthal.

As always, there is plenty that could go wrong in U.S.-China relations. The summit, however, gives both sides the opportunity to get it right.

By Richard S. Dunham in Washington and Joyce Barnathan in Hong Kong, with Stan Crock in Washington and Dexter Roberts in Beijing

'A BIG BLACK HOLE' FOR FOREIGN INVESTORS

Westerners thought bureaucratic reform would help. It hasn't

If ever there was a moment when China should roll out the red carpet for foreign investors, it's now. Exports are off, and unemployment is rising rapidly. State enterprises are bleeding red ink, and banks are technically bankrupt. Overseas Chinese in Hong Kong, Taiwan, and Southeast Asia are too hard-pressed by the crisis to boost investment in China. So China should do what it takes to keep the money coming in from the West.



THE CLINTON TRIP

quarter of the bureaucracy and separate the commercial functions of ministries from their regulatory side, foreign investors hoped the streamlined ministries would be easier to deal with. Instead, "nobody knows what's happening during this restructuring—it's a big black hole," says one Beijing-based Western diplomat. The reorganization could also give a big edge to Chinese companies. Just look at the decision by China's State Power Corp. to



But that's hardly happening. China's dramatic restructuring of its bureaucracy has U.S. and European investors confused about who's in charge and fearful of new protectionism. Despite high-level statements to the contrary, Beijing seems to be pushing a "buy domestic" agenda in some industries, in part to keep local companies afloat. In banking, insurance, and phone service, China seems intent on blocking access to foreigners for years to come. In other cases, Beijing is stingily doling out precious licenses. If these snags frustrate too many companies, foreign investment could dry up dramatically.

When Beijing announced plans earlier this year to lay off as much as one-

end purchases of foreign power-generation equipment for projects under 600 megawatts. The Chinese can now make their own big generators, so why buy foreign? "A lot of people are very worried about this," says J. F. Sperry, president of Westinghouse Electric (China).

In telecom equipment and service, a similar story is unfolding. According to industry sources, leaked internal directives from the Information Industry Ministry call for local governments to purchase Chinese-made telecom switch-

SHANGHAI BUILDING

The Construction Ministry—among others—has stymied foreign companies in China

es and fiber-optic cables whenever possible. That's hardly surprising, given who's in charge of the newly formed ministry: Wu Jichuan, the same anti-reform bureaucrat who ran the old Posts & Telecommunications Ministry.

It gets worse. Beijing has handed out licenses to sell insurance to only seven foreign companies—among them American International Group Inc. and Aetna Inc.—and they are confined to Shanghai and Guangzhou. Other firms are competing furiously to land licenses. Insurer Chubb Corp. has twice flown former President George Bush to Beijing to lobby its cause and has set up an insurance training school for officials in Shanghai. Chubb still has no license.

GREEN LIGHTS. Another tantalizing prospect is the mortgage business, now that China is privatizing its housing. But there are no signs that Beijing will loosen its tight restrictions on foreign banks dealing in local currency. The Canada Mortgage & Housing Corp. is eyeing the market, but the company has made little headway with the Construction Ministry. Timber companies would like to sell, too, but Beijing policymakers are skeptical about wooden housing. "Housing reform could be a great engine for growth," says Kent Wheeler, general manager for Weyerhaeuser China Ltd. "But Beijing has to do more than just require the Chinese to buy dilapidated housing."

Equally frustrating is the reluctance of Chinese firms to pay for soft services like consulting. Even though China aims to introduce modern accounting practices to its banks, Price Waterhouse has had limited luck rustling up Chinese customers. "You can't survive in a country like China just off a multinational client base," says J. Thomas Macy, chairman of financial services for Price Waterhouse in China.

Other big projects are getting the green light because Beijing cannot do without them. Recent approvals allowing Eastman Kodak Co. to take over ailing local film factories and giving Shell Oil Co. the go-ahead for a massive \$4.3 billion petrochemical project show Beijing's flexibility. What's maddening is how arbitrary that flexibility can be. Western investors were hoping reform would level the playing field. But China remains an unpredictable game.

By Dexter Roberts in Beijing



CHINA

BRINGING IT ALL BACK HOME

How China's returning students are a force for reform

Edward Tian said goodbye to Lubbock, Tex., his pickup truck, horseback riding, and seven years of studying broom snakeweed to return to Beijing in 1995. He took home a Texas Tech University doctorate in range management and a small Internet software company that he co-founded in Dallas. Now the company, Asiainfo, has \$50 million in annual sales and 400 employees and is building much of China's Internet backbone. "I wanted to do something to change people's lives in the next five years, not the next 200 years," says Tian, now 35.

Tens of thousands of Chinese who studied in the U.S. have the same idea. Mostly in their 30s and 40s, they are the new dynamos in China's fast-reforming economy. Many, like Tian, are starting entrepreneurial companies. Some are running economics departments at major Chinese schools. Others are advising banks, stock markets, and government ministries how to adapt to the global economy.

The returnees come back with much more than salable skills. They have a grasp of how the outside world works that stay-at-home Chinese don't. Massachusetts Institute of Technology doctoral physicist Charles Zhang, 33, for



THE CLINTON TRIP

example, is trying to steer Beijing away from the heavy-handed state planning used by South Korea and Japan. "The entrepreneurial, market-driven approach is what makes good technology," he says.

Furthermore, Zhang and people like him open new private channels between the U.S. and China. His company, Internet Technologies China Inc., is a gateway into China for U.S. and other foreign companies. Microsoft, Hewlett-Packard, Motorola, and Ericsson, for instance, all advertise on ITC's Web site, one of the most popular in China with 280,000 hits per day.

Even more important, outfits such as Zhang's are a promising new way of piping foreign investment into China. Traditionally, such inflows have been filtered through clumsy and one-sided joint ventures in which foreigners have few rights. ITC, however, was set up with \$225,000 in seed money from MIT

The returnees' biggest impact may be in opening China to a flow of new ideas

IN NEW YORK
Chinese students learn highly salable skills at schools like City College

professors, including Nicholas Negroponte, founding director of the MIT Media Laboratory and co-founder of *Wired* magazine. Zhang received \$2 million more investment from Intel Corp. and other U.S. companies in March.

China needs more than entrepreneurial drive, however. Rebuilding the superstructure of a modern market economy is essential. Returnees such as former New York Stock Exchange economist Wang Boming, 42, are key architects in the restoration. For a fraction of his Wall Street salary, he joined a team to set up China's new stock exchanges in 1988. These days, he is a publisher "trying to educate people how to manage their wealth."

FACULTY FAVORITES. As reforms succeed, Western-educated Chinese will start to move into senior government jobs. Zhang Xiang, 57, armed with a PhD in economics from New York's Columbia University, became vice-minister at the Foreign Trade & Economic Cooperation Ministry this year. He may be able to avoid Sino-U.S. misunderstandings. Untraveled government officials have, for example, conjured up conspiracies behind antidumping complaints from U.S. companies.

The returnees' biggest impact may be in opening up China to a flow of new ideas. U.S.-minted doctoral economists are remaking China's university departments as Marx makes way for market economics. Leading the way is Beijing University's prestigious China Center for Economic Research. The Center's influence extends far beyond its campus. Faculty, all Western-educated, are favorite invitees to panels debating economic policy. "We try to provide an independent view to Chinese leaders," says Deputy Director Hai Wen, 46, a University of California at Davis alum.

Until recently, talking anything but the party line was a courageous act. It is still risky to question the Communist Party's right to rule. That and big salaries still keep many of the 50,000 Chinese students in the U.S. from returning.

Those from the the classes of 1998 and onward who do go home could have a dramatic impact on China's future. Their predecessors are getting things started, but they need all the help they can get.

By Dexter Roberts in Beijing

6-10-98

June 10, 1998

Dear Chelsea,

I think your the luckiest girl in the whole world!
I mean you got a bowling ally, a swimming pool, and a movie theater.

WOW! I onley have a swimming pool. If I had one of the others in my house,
I'll be the most famous girl in my school.(Horizon.)

Have you ever been to Phx.?

I live in Phx. But right now I'm leaving to Portland.I'm going to my aunt's
graduition. Your dad is going to be there. I'm so excited! Maybe you can call
me at (602) 939-5050 or write to me. My address is on the envelope.

Have a nice Day!

Sincerly,

Summer Tercero

Dan Burkhardt:
Please coordinate
the reply.



THROOP UNITARIAN UNIVERSALIST CHURCH

300 SOUTH LOS ROBLES AVENUE
PASADENA, CALIFORNIA 91101
(626)795-8625 (FAX)795-3766

98 JUN 16 4:50 PM

Paul Sawyer, Minister

June 2, 1998

Attorney Bruce Lindsey
Counselor to the President
The White House
Washington, DC 10500

Dear Bruce Lindsey:

I am a Harvard classmate of Ike Scott in Little Rock and have wanted to get this personal letter to the President directly and confidentially. I trust you are able to do this and would be willing. Our very best wishes go out to you, those in the White House, and of course the President and family, in this time of personal and political trial.

Cordially,

Paul Sawyer

Paul Sawyer

6-16-98

To Burkhardt for reply?
to handle as
appropriate
PS

Phil
Are we
answering these?
not

Throop Memorial Church, Unitarian Universalist (Founded 1886)



300 South Los Robles Avenue
Pasadena, California 91101
Telephone 818-795-8625

6.2.98

Dear President Bill Clinton,

I have been wanting to write you ~~directly~~ for months ever since this Lewinsky matter surfaced.

How important it is for you to speak honestly with your own minister, Rev. Dr. Philip Wogaman about your personal romantic sexual relations and ~~be~~ honestly with your wife and daughter. (they can not be forced to testify)

Then go to China with them and let the chips fall.

What you say and do publicly and with the political effort to destroy your Presidency since it began is not mine to tell you what to do.

I ^{ALONG} with many of our generation, had sexual-love connections that injured those close to me & had to pay my dues. If we come clean with those close to us — forgiveness, especially from oneself (which is most difficult), can follow, (over)

As you well know!

"All have sinned and come
short of the glory of God"

Romans 3:23

Paul of Tarsus

Our love and blessings
go out to you and your
family in this personal
and public trial
you are going through.
warmly.

Paul Sawyer
minister
of Throop Church

6/16/98

Send to Burkhardt?

Yes ☒

No ☐

Carol

?

B

President Bill Clinton
The White House
Washington D.C. 20500

Ms. Joye Long
P.O. Box 16232
Beverly Hills, CA
90209

One of the most Memorable days of
my life is the day I met the Governor
of Arkansas - I knew this would also
be the next President of the United States
You brought with you "HOPE" for a
Nation hungry for leadership - while
others Bombarded you with questions - I
Present to you what would be the start
of your "Motown" Collection "Soul" to add
to your Wonderful Spirit - I am sorry
about the unpleasantry you've experience
lately I can only re assure you through
scripture by saying "NO weapon formed against
shall prosper". I Ask that you
Continue to keep your promise to the
American people to be the BEST President
the U.S has ever known.

my all day - all year -
given to you. . . You are divinely Blessed. and I
never want to lose respect for you - Perfection is NOT
expected - everything you are makes you the unique
and Great President you are suppose to be. Laughter
Joy. . . Peace. . . All have their place. . .

As I close may I ask that you take another
look at a letter that was send to you a Hention around
Christmas Time - to Betty Curries attention - probably CC
to Richard Riley and to Alexis Herman (We grew up
across the street from her and her mother Glorie as children in
mobile, Alabama) - The Letter is from my older ^{2nd} sister (who
does not know I am writing this). Linda Faye Long.

310 S. Almont Dr #112 Los Angeles, CA 90048 - (310) 275.1490 ^{Her Hon}
She wrote and ask to meet with you about a Career Change
she is as delightful as I am. ^{is} she is not only the best
sister anyone could ask for but she is a dedicated, committed
teacher who has out grown the Classroom with no
Place to go locally - she is looking for something on
a national Level or Perhaps Creator Childrens T.V. Program
she is worth meeting - Please keep your eyes and
ears open for any opportunity whereby you can utilize
her expertise in the Field of Education. Thanks -

A As always Close by Wishing you
God's Peace

I'll keep you in  Joy Long
my Prayers - Please put me in touch. . .

Myself
By Edgar A. Guest

I have to live with myself, and so,
I want to be fit for myself to know;
I want to be able as days go by
Always to look myself straight in the eye;
I don't want to stand with the setting sun
And hate myself for the things I've done.

I don't want to keep on a closet shelf
A lot of secrets about myself,
And fool myself as I come and go
Into thinking that nobody else will know
The kind of a man I really am;
I don't want to dress myself up in sham.

I want to go out with my head erect,
I want to deserve all men's respect;
But here in the struggle for fame and pelf
I want to be able to like myself.
I don't want to think as I come and go
That I'm bluster and bluff and empty show.

I never can hide myself from me,
I see what others may never see,
I know what others may never know,
I never can fool myself - and so,
Whatever happens, I want to be free!
Self-respecting and conscience free!

Dr.

Little

Phil
What do
you think?
210

9 June 1998

JUN 15 48125

Linda Dixon
Clinton-Arkansas Office
111 Center, Suite 1500
Little Rock, AR 72201

Dear Linda:

Regarding our phone conversation today, I did call my brother, and he indicated that he doesn't recall any press release as of yet having been printed in the Hope paper regarding the announcement of the new co-drum majors for the Hope High School Band for the 1998-1999 school year. But he assures me that the selection had been made reflected in the excitement that occurred in his household after the director made his choice.

The names and address of the new co-drum majors are as follows:

Mr. Tory Smith	Ms. Suzanne Thompson (Davis' daughter)
213 Alpha Street	701 West 23rd
Hope, AR 71801	Hope, AR 71801



I did ask Davis about the mention of Suzanne's physical challenge in a possible letter from the President, and he said that she so much wants to be acknowledged as a "normal" person and not be singled out as having overcome anything physically. Simply being congratulated just like anyone else for being named a drum major would be thrilling.

Sure do appreciate anything you could do regarding sending congratulations from the President to these fine young people for having been cho--- " " " "

6/16/98

Nancy -
She had to have
her leg amputated
when she was very
young and she wears
a prosthesis.

YOUR EYE
only

Send to Burkhardt?

Yes ☒
No ☐

C.



THE WHITE HOUSE
WASHINGTON

Phil -
Rebecca is leaving
on 7/17. Can we
get a departure
letter done for her?

Charles -
2/10

~

6-16-98
Send to Burkhardt?

Yes ☒
No ☐

5/10/98

Dear Mr. Clinton,

Hi, how are you? I hope you remember me, I am Izaak Prado's mother, the young man from California that you met at the Drug Abuse Summit, In Maryland a few years ago. I am his daughter doing in school like our State? I would like our meet with him could honor and your great pleasure and your wife are just as I, as I am of my I to be at the top of e seems to have hit a rough road of life. While at school, he started dating a young lady from Maryland, now she is pregnant, when her parents learned of this they abandoned her, so she is now living with me. Once I got over the shock, I assured them that "We all make mistakes, and what is done, is done". It just means we will all have to work at it a bit harder. This predicament has only made him more determined to achieve his goals, that being his education. And this I credit to the tremendous faith he has

Send to Burkhardt?

Yes ☒
No ☐

5/18/88

Dear Mr. Clinton,

Hi, how are you? I hope you remember me, I am Izaak Prado's mother, the young man from California that you met at the Drug Abuse Summit, In Maryland a few years ago. How is your daughter doing in school? How does she like our State? I wish that someday I could meet with her, it would be an honor & great pleasure. I'm sure you and your wife are just as proud of her, as I am of my Izaak. He continues to be at the top of his class. However he seems to have hit a "Speed Bump" in the road of life. While at school, he started dating a young lady from Maryland, now she is pregnant, when her parents learned of this they abandoned her, so she is now living with me. Once I got over the shock, I assured them that "We all make mistakes, and what is done, is done". It just means we will all have to work at it a bit harder. This predicament has only made him more determined to achieve his goals, that being his education. And this I credit to the tremendous faith he has

in the Lord. He was fortunate enough to have picked up a part time job in the school library. Between school, job and church, he keeps himself very, very busy. Unfortunately he has been denied financial Aid for the upcoming school year, due to an error, on the part of the school, they mistakenly gave him incorrect grades, therefore making his G.P.A. go down, making him ineligible for Aid. He got clearances from the instructors, explaining the error, however he was told it was too late, no more monies were available. Being that I am a single parent & sole supporter of my children, and I am already making payments for this years loans, there is no possible way that I can afford it. He has spoken to several persons, and it seems no one can help. We have exhausted all leads. Therefore I am looking to you as my last resort for any resources. I realize that you are extremely busy. However I would really appreciate anything. Also I wonder if you received the picture & info. I

sent you regarding the Head Start Program, for which I work for, Also please accept my invitation to visit our program sometime in the future. Actually I would really like to meet with you whenever you are in California. I have enclosed one of Izaak's business cards, I hope you will keep it, and when you look at it, remember that this is one young person whom, with your kind words and Compassion you helped to turn his world around and reach for the stars, Living proof of the power of "Kind words". And for this I hope the Lord blesses you, through your daughter. Thank you for your time, may God bless you and keep you in his constant care.

Rosalinda R. Prado

Juliette H. Lloyd

Dear Nancy,

So glad to hear you
went to the Reunion Gala
at the White House. Sorry
I did not get to say
hello. Wasn't it marvelous!

I hope you will be able
to get these pictures & letters
to the President at an appropriate
time.

Thank you for your
assistance.

Juliette

6/6/98

6-16-98

Sean -

How should we
handle?

Handled
for reply
CS

C.

**Juliette Chiodo Lloyd
4561 Indian Rock Terrace, NW
Washington, DC 20007
202 298-7479**

William Jefferson Clinton
President of the United States of America
Washington, DC

June 5, 1998

Dear Bill,

Many thanks to you and Hillary for your great hospitality to the Class of '68. Jim and I particularly enjoyed the beauty of Blair house and the opportunity to speak with both of you in a more intimate setting

I am sorry you were so mobbed at the White House that you could not have fun dancing like the rest of us. It was a spectacular evening thanks to your support and the work of your fine staff. We all loved your speech. I was particularly touched by your mention of my work in the park. It was unexpected and very meaningful to me, as was the entire Community Project experience.

It was gratifying to see how hard our old friends (in more ways than one) worked to weed, dig, clean, paint, plant and do whatever it took to reclaim this long neglected childrens' park. Everyone associated with the project was emotionally touched and actually thanked me after they had done the work, especially after they learned that the children were playing in the park again. I thought you might enjoy seeing some of the before and after pictures and some "action" shots. Sorry, I cannot show you everybody who was there. It was fun working with my old roomie Denise, who contributed two truck loads of mulch and worked both days, as well as, my 15 year old daughter Christina who volunteered to help.

You and Hillary are right about the value of Community Service, as I now know first hand. I plan to help maintain this park along with the support of local Georgetown classmates. *I hope you too can join in to help as a friend, classmate and resident of DC.* Would you have someone contact Dr. Betty Gaines, Director of DC Parks, to assist us in getting a few small tasks accomplished. As a first step, to help the community maintain

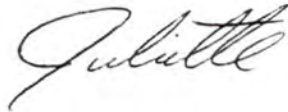
1

the progress made, she could get the city to repair and turn on the existing five pole lights; replace trash cans and renew pick-up; and turn on a water spigot to permit us to keep the plantings alive. Later, we would love to see the beautiful fountain repaired and turned on again. This is an enchanting walled park on the corner of 14th and Euclid Streets, NW that someone spent a good deal of time and energy to create. It is an oasis in the area, particularly for the children. There is a school nearby. I returned to the park this week to check on it and clean up. Kathy Baczko accompanied me so, she could help as well as see the plants Joe's nursery company donated. We were delighted to observe that there was no new trash or graffiti. Members of the community started to help us the second day and are now clearly getting involved, which is exactly what we hoped for.

I learned a great deal from Steve Coleman, President of Friends of Meridian Hill about involving the community and without whose help this project would not have happened. Likewise, Christina Aquino, Program Coordinator of Georgetown's Volunteer and Public Service Center did an enormous amount of work helping to organize us all. Buz Brinig, another classmate, was also a star. Steve and I are planning to have a work session on June 20 at 10:00 am to help nourish the community spirit that has touched this park.

Sorry this is so long winded but I was never brief about anything. As always, I follow your good work and support you in your efforts to do what is best for us all. I feel fortunate to have known you back when. It is good to see you always remember your old friends.

Warm regards,

A handwritten signature in cursive script, appearing to read "Juliette", with a stylized flourish at the end.

Entrance
• Opened view for
safety



Before



After



Playground
wooded
painted
painted
matched

Before



After

Wading Pool + Play Area

- cleaned
- weeded
- planted
- painted
- repaired



A FEW OF THE VOLUNTEERS CLASS OF '68



ANGELO K. TSAKOPOULOS

7700 COLLEGE TOWN DRIVE

SUITE 101

SACRAMENTO, CA 95826

Tel 916 383-2500

Fax 916 383-0552

June 11, 1998

17- not sure why (M)
came to you - do you
want me to send to
Staff SEC?
RC

1 letter endorsed by dozens of
about recent events in Nicosia,
ineffectual pronouncements by

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achieving that objective.

We sincerely wish to see any and all hostilities prevented, negotiations proceeding, and
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recommendations for your consid
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I am prepared to assemble
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6/11/98
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Send to Burkhard??

Yes ☒

no

Coordinate w/ NSC?

Yes ☒

no

cc: Albert Gore, Jr., Vice President of the United States
Erskine B. Bowles, Chief of Staff to the President
Samuel R. Berger, Assistant to the President for National Security Affairs
Leon Fuerth, National Security Adviser for the Vice President
John Podesta, Assistant to the President and Deputy Chief of Staff

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7700 COLLEGE TOWN DRIVE
SUITE 101
SACRAMENTO, CA 95826
Tel 916 383-2500
Fax 916 383-0552



June 11, 1998

President William J. Clinton
The White House
1600 Pennsylvania Avenue, N.W., Room 1/WW
Washington, DC 20500

Dear Mr. President,

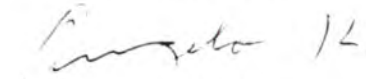
I would like to bring to your personal attention the enclosed letter endorsed by dozens of prominent individuals from across the nation deeply concerned about recent events in Nicosia, renewed threats from Ankara, and what many perceive as ineffectual pronouncements by administration officials.

This effort was undertaken in the spirit of friendship, to help you understand the profound and widespread disappointment in current U.S. policy in Cyprus. We believe we have a civic duty to inform you of our opinion that the basis for a peaceful, just, and lasting Cyprus solution exists right now, and that your administration should play a most constructive role towards achieving that objective.

We sincerely wish to see any and all hostilities prevented, negotiations proceeding, and ultimately, the right solution achieved and implemented. As such, we offer our policy recommendations for your consideration, as you lead your administration's efforts in Cyprus and the region. We note that your personal commitment was necessary in helping bring peace to Northern Ireland, and that only that same commitment will help establish a genuine peace in Cyprus, for Greek and Turkish Cypriots alike to cherish.

I am prepared to assemble a select committee to meet with you to pursue these ideas in greater detail, as I look forward to your earliest response.

Best regards,



Angelo K. Tsakopoulos

cc: Albert Gore, Jr., Vice President of the United States
Erskine B. Bowles, Chief of Staff to the President
Samuel R. Berger, Assistant to the President for National Security Affairs
Leon Fuerth, National Security Adviser for the Vice President
John Podesta, Assistant to the President and Deputy Chief of Staff

THE NATIONAL COMMITTEE ON
U.S. - GREECE RELATIONS
7700 College Town Drive
Sacramento, California 95826

June 11, 1998

The Honorable William Jefferson Clinton
The White House
Washington D.C. 20010

Dear Mr. President:

We take this opportunity to express, with utmost urgency, our deep concern over U.S. policy in the eastern Mediterranean, specifically regarding the Cyprus question and its impact on Greek-Turkish relations. We are deeply distressed over a deteriorating situation that is descending towards war between Greece and Turkey if your administration does not correct its misguided policy of the past five years. The opportunity for a peaceful, just, and lasting solution in Cyprus is before you. If war breaks out between our NATO allies over Cyprus, your administration will bear considerable blame.

The impending crisis revolves around the continued Turkish occupation and division of Cyprus, which is acquiring an anti-aircraft defense system as a deterrent against potential Turkish air attacks. Your administration's relentless criticism of Nicosia's acquisition decision over the past seventeen months has opened the door to escalating Turkish threats to prevent delivery of the weapons or to attacks the weapons site upon installation. Greece has vowed to defend Cyprus against a Turkish attack with a military response. Clearly, this is a prescription for disaster.

The White House and State Department suggestions that the deployment of the defensive weapons would complicate negotiating efforts would be far more credible if your administration publicly voiced objection to Turkey's illegal military occupation forces. By focusing instead on Cypriot defensive weapons, your administration has obscured the truly destabilizing impact of the Turkish occupation on Greek-Turkish relations and the region at large.

In fact, the occupation army was thoroughly upgraded during the mid-1990's, without comment or apparent concern by your administration. When the level of Turkish militarization reached a level unacceptable to Nicosia, your administration chose to criticize the legitimate government of Cyprus for its act of self-defense.

Meanwhile, Turkish threats to destroy Cyprus' defensive missiles continue unabated. The State Department's policy of equivalence between Cyprus' sovereign right to self-defense and Turkish threats to attack Cyprus is outrageous. Recent department statements referring to the threats merely as "a mistake" or "unproductive," while the ongoing Turkish occupation of Cyprus is effectively ignored, are unacceptable. Such policies signal the Turkish General Staff that its potential violent actions against Cyprus will bear no consequences.

As a member of NATO aspiring to join the European Union, Turkey should understand that military threats to political problems are completely counter to basic Western and democratic principles. This is a fundamental reason the European Union will not accept Turkey in the near future and a key to desperately needed internal reform. Turkey's reaction to Cyprus' EU accession process only dramatizes that need.

Nicosia's eventual membership in the EU offers a unique opportunity to reach a Cyprus settlement that will benefit Greek and Turkish Cypriots alike. In fact, Turkish Cypriots have far more to gain economically from EU membership, given their long-standing comparative plight.

Having Cyprus accede with the participation of both Greek and Turkish Cypriots can generate the perceptual breakthrough needed to build stronger EU-Turkish ties, and improve Greek-Turkish relations. Helping reach a just solution in Cyprus would lift the albatross of Turkey's status as an aggressive occupier and accelerate its own hopeful EU accession process.

Instead, Turkey's angry criticism of the European Union and blunt threats against Cyprus offer clear examples of the self-inflicted obstacles generated by the General Staff's utter dominance of all aspects of Turkish foreign policy.

As a union of free-market democracies, the European Union maintains clear membership criteria, including defined economic performance levels and respect for democratic principles, human rights, and international law. Regarding Turkey's application, the EU has requested that Turkey resolve its differences with Greece based on international law, and reach a Cyprus settlement in accordance with U.N. Security Council resolutions, among other conditions. Instead of using the European decision to deliver the right message to Ankara – that compliance with EU conditions was in Turkey's self-interest – your administration urged the European Union to conform to Turkish obstinacy.

An excellent opportunity to persuade the General Staff to reform Turkey's political system was thereby wasted, and the U.S. continues to be perceived as supporting a system whereby civilian officials serve at the behest of the military, rather than the other way around.

Mr. President, we recommend instead four workable ideas that will strengthen your administration's policies in the region, help bring the parties together, and build on current opportunities to resolve the Cyprus question, much as your administration helped to bring peace in Northern Ireland.

First, the administration should convey to the Turkish General Staff, the ultimate arbiter of Turkey's contributions to a Cyprus solution, that the U.S. considers Turkish threats to attack Cyprus to be unacceptable, and that any such attack, if carried out, will have serious consequences for U.S.-Turkish relations.

Second, the administration should publicly endorse the withdrawal of all foreign military forces from Cyprus, in line with concurrent resolutions overwhelmingly approved by bipartisan majorities in both the Senate and the House of Representatives in July, 1997. Removing Turkish and Greek forces will remove regional security issues from the Cyprus negotiation process and bring greater focus on Cyprus' domestic political concerns, such as achieving a "bizonal, bicomunal federation" under a single Cypriot sovereignty and international personality and a single citizenship, as your administration has repeatedly supported.

Third, the administration should support the unconditional accession of Cyprus to the European Union under objective, established guidelines. Cyprus' economic and political conditions meet, and in many instances surpass, those of current EU members. By linking Cyprus' EU accession to that of Turkey, which the union is reluctant to admit in the near future, your administration has effectively granted Turkey de facto veto power over Cyprus's entry.

Fourth, the administration should call for the abandoned city of Famagusta to be turned over to U.N. control for reconstruction and repopulation. The city in its current state serves no interest to Turkey. Allowing for the development of this historic, once-thriving port city would be an important gesture by Ankara towards reconciling the divided communities in Cyprus, and would bring closure to an ongoing and utterly pointless issue nearly resolved by President Clerides and Rauf Denktash only a few years ago.

Special Envoy Richard Holbrooke's latest attempt to break the Cyprus impasse was met with Turkish intransigence that has fueled a sense of despair. Reckless talk in Washington that possible hostilities in Cyprus can serve a useful purpose as a catalyst for a dramatic negotiating breakthrough has been encouraged by your administration's acquiescence of Turkish threats, and the continued refusal to condemn any planned acts of violence or war. A Greek-Turkish war that might start over Cyprus can destabilize the eastern Mediterranean region, tear apart the delicate Dayton-enforced peace in the Balkans, and threaten the viability of the NATO alliance.

Mr. President, there is no better time to re-evaluate your administration's policies in the eastern Mediterranean. Wide, bipartisan congressional support exists right now for a solution based on "international law, the provisions of relevant United Nations Security Council resolutions, democratic principles, including respect for human rights, and in accordance with the norms and requirements for accession to the European Union." In this light, we should encourage the European orientation of Turkey, but not at the expense of NATO ally Greece, not of Cyprus, and not against the fundamental principles of Western democracy we share with our other allies in the European Union.

We are ready, as always, to meet with you and assist your administration in the effort to fashion a new policy towards the troubled eastern Mediterranean region that will secure peace and stability among Greece, Cyprus and Turkey. Greeks, Turks, and Cypriots alike deserve to enjoy the fruits of European security and prosperity within the larger family of nations. Your historic opportunity to bring peace and security to Nicosia, as you did in Belfast, will elude you if you do not redress U.S. policy immediately.

Sincerely,

(See attached list of individuals endorsing this letter)

1. **Frank Agnost**
Publisher, The Hellenic Journal
San Francisco, CA
2. **Aris Anagnos**
President, Federation of Hellenic American Societies of Southern California
Los Angeles, CA
3. **Dean Angelakos**
Member, International Coordinating Committee/Justice for Cyprus (PSEKA)
New York, NY
4. **Phil Angelides**
President, Riverwest Investments; Past Chairman, California Democratic Party
Sacramento, CA
5. **Peter G. Angelos**
Law Offices of Peter G. Angelos
Baltimore, MD
6. **George Argyros**
Chairman & CEO, Arnel & Affiliates
Costa Mesa, CA
7. **Andrew Athens**
National Chairman, United Hellenic American Congress (UHAC)
Chicago, IL
8. **Demetrios A. Boutris**
Businessman
New York, NY
9. **George Chryssis**
Past President, Pancretan Association of America
Weston, MA
10. **Andreas Comodromos**
Chairman, Justice for Cyprus Committee
Paramus, NJ
11. **Dr. Van Coufoudakis**
Dean, School of Arts and Sciences, Indiana University-Purdue University
Fort Wayne, IN
12. **Dr. Takey Crist**
Chairman, AHEPA Cyprus and Hellenic Affairs Committee
Jacksonville, NC

13. **James F. Dimitriou**
Past Supreme Secretary, AHEPA
Los Angeles, CA
14. **Ted Eliopoulos**
President, Actium Development Corporation
Roseville, CA
15. **Nicholas Gage**
Member, Pan Epirotic Federation
New York, NY
16. **Theodora Hancock**
President, Hellenic American Women's Council (HAWK)
Washington, DC
17. **Dr. George Hatsopoulos**
Chairman, CEO Thermo Electron
Waltham, MA
18. **Dr. Chris P. Ioannides**
Author
Sacramento, CA
19. **Dr. James Kallins**
Past President, Medical Dental Society of Southern California
Bellflower, CA
20. **Matina Kolokotronis**
Attorney at Law, Carpenter, Snodgrass and Associates
Sacramento, CA
21. **Sotiris Kolokotronis**
Businessman
Sacramento, CA
22. **George Konstantopoulos**
Governor, Pan-Messenian Federation of the USA and Canada, US Western States
Oakland, CA
23. **Dena Kouromelos**
President, United Hellenic American Societies of Northern California (UHAS)
San Francisco, CA
24. **Andreas Kyprianides**
Honorary Consul General of Cyprus
Los Angeles, CA

25. **Gilbert Kyprianou**
AHEPA Secretary (Las Vegas Chapter)
Las Vegas, NV
26. **Nick Larigakis**
Executive Director, American Hellenic Institute
Washington, DC
27. **Nicholas Lyras**
Businessman
New York, NY
28. **Dr. Spiro Macris**
Past President, AHEPA
Waltham, NC
29. **Victor Makras**
President, Makras Realty
San Francisco, CA
30. **Andrew Manatos**
President, National Coordinated Effort of Hellenes
Washington, DC
31. **George Marcus**
Chairman, Marcus & Millichap
Palo Alto, CA
32. **Patroklos Mavromatis**
Director, Hellenic American Council of Southern California
Los Angeles, CA
33. **Vangelis Mazidzoglou**
President & CEO, Medimer Corporation
Sacramento, CA
34. **Chuck Mitsakos**
President, The Pioneer Fund
Seattle, WA
35. **Nikos Mouyaris**
Vice President, International Coordinating Committee/Justice for Cyprus (PSEKA)
New York, NY
36. **Dr. S. Victor Papacosma**
Professor, Kent State University
Kent, OH

37. **Dan Papadopoulos**
Vice President for Government Affairs, The Bristol Group
Washington, DC
38. **Peter Papanicolaou**
Supreme President, Cyprus Federation of America
New York, NY
39. **Gregory C. Pappas**
Publisher, Greek America Magazine
Pittsburgh, PA
40. **Harry J. Pappas**
CEO, Pappas Telecasting Companies
Visalia, CA
41. **Ike Pappas**
President, Ike Pappas, Inc.
Washington DC
42. **Peter J. Pappas**
Director, Cyprus Children's Fund
New York, NY
43. **Fannie Petallides-Holliday**
Founder, Managing Director, Proini and Greek American Weekly
New York, NY
44. **Nick Petris**
State Senator, California (ret.)
Oakland, CA
45. **Kathryn Cameron Porter**
President, Human Rights Alliance
Washington, DC
46. **Dr. Harry J. Psomiades**
Director, Center for Byzantine & Modern Greek Studies - Queens College
Flushing, NY
47. **Thomas G. Rakus**
AHEPA Governor (Seattle Chapter)
Seattle, WA
48. **James Regas**
National President, United Hellenic American Congress (UHAC)
Chicago, IL

49. **Alex Rigopoulos**
Board of Directors, Hellenic Cultural Society
San Diego, CA
50. **Eugene Rossides**
President, American Hellenic Institute Foundation
Washington, DC
51. **E. John Rumpakis**
AHEPA President (Portland Chapter)
Portland, OR
52. **Dr. Anastassios Simonidis**
Honorary Consul General of Cyprus
Piedmont, CA
53. **John Sitilides**
Executive Director, The Western Policy Center
Washington, DC
54. **George V. Spanos**
President, Dynamis
San Francisco, CA
55. **Ted Spyropoulos**
President, Hellenic American National Council (HANC)
Chicago, IL
56. **Leon Stavrou**
Businessman
Arlington, VA
57. **Nick Theodore**
Former Lieutenant Governor, South Carolina
Greenville, SC
58. **Angelo K. Tsakopoulos**
Board of Directors, The Western Policy Center
Sacramento, CA
59. **Eleni Tsakopoulos**
President, AKT Development Corporation
Sacramento, CA
60. **George Tsakopoulos**
Businessman
Beverly Hills, CA

61. **Savas Tsivicos**
Former Chairman, American Hellenic Institute Public Affairs Committee (AHI-PAC)
Ocean, NJ
62. **Dino Vlahopoulos**
Publisher, YPER Magazine
Los Angeles, CA
63. **Dr. Speros Vryonis Jr.**
Professor, Historian
Sacramento, CA
64. **Tasos Zografos**
President, Epirotan Society of Northern California
San Francisco, CA

Phil -
who could
do this?