

Monday, November 16, 1998

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PHOTOCOPY
PRESERVATION

NATIONAL COUNCIL OF CHURCHES OF CHRIST IN THE USA
GENERAL ASSEMBLY—NOVEMBER 8-13, 1998
HOLIDAY INN O'HARE INTERNATIONAL
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ROSEMONT, IL 60018
BUS. OFFICE (SYDNEY) (847) 928-3870
FAX (847) 928-3866

Cc:

Maurice Sheer
Tony Blinken
Phil Caplan
CWSC
(Shel Sec)

NOV 16 PM 4:16

Fax

To: President William Clinton From: National Council of Churches

Fax: (202) 456-7929

Date: Nov. 13, 1998

Phone:

Pages: 2

Re: Conflict With Iraq

CC:

☒ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

•Comments:

Attention: Ms. Minyon Moore

Please arrange for delivery to President Clinton.

Thank you for your assistance on behalf of the NCCCUSA.

Joan Brown Campbell

Joan Campbell
General Secretary
National Council of Churches

To Dan B

for reply

BC Sig

coord with MSC

National Council of the Churches of Christ in the USA



Office of the
General Secretary

November 13, 1998

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

Dear Mr. President:

The General Assembly of the National Council of the Churches of Christ in the USA, meeting in Chicago, November 11-13, has heard with apprehension the reports of the escalating crisis between Iraq and the United Nations and the threat of the use of U.S. military force against Iraq. We call upon you to seek every way to avoid the use of force and to resolve the matter of this conflict by peaceful means. In doing so, we join our voices with those of our brothers and sisters in the churches of the Middle East, who through our sister organization, the Middle East Council of Churches, have stated their opposition to the use of military force against Iraq.

The NCCCUSA has called upon and still calls upon Iraq to comply fully with United Nations resolutions and to cooperate with UN weapons inspection teams. At the same time, we are acutely aware of the immorally massive level of suffering that the economic sanctions have imposed on the people of Iraq, especially the most vulnerable among them. According to United Nations and other studies, in the past eight years, as many as one million people have died as a result of these sanctions. Many more have experienced severe deprivation and disruption of their lives. In partnership with the churches in the region, NCCCUSA has provided humanitarian relief to alleviate suffering. During Holy Week this year, members of our body have visited Iraq and have seen first hand the human devastation that the sanctions have wrought. Having seen such visions, the depiction of Iraqis in the media as enemies is repugnant to us.

Last February, when military conflict seemed imminent, the NCCC and its member churches called upon you not to attack Iraq, but instead to seek a new policy that would end economic sanctions against Iraq, end the unconscionable and fruitless suffering of the Iraqi people, and seek new ways to return Iraq to the community of nations. We repeat that call now. Seek peace and pursue it.

Respectfully,

The General Assembly
National Council of the Churches
of Christ in the USA

475 Riverside Drive • Room 880 • New York, NY 10115-0050 • 212-870-2141 • Fax 212-870-2817

TOTAL P.02



DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20250

'98 NOV 16 PM12:09

NOV 13 1998

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

Dear Mr. President:

I am very grateful for the opportunity you have provided me to serve as Assistant Secretary for Congressional Relations at the Department of Agriculture.

As I prepare to leave my position later this month, I could not help but reflect on the many policy successes that you and Secretary Glickman have achieved. Restoring food stamp benefits for legal immigrants and providing meaningful disaster assistance for our nation's farmers and rural communities certainly rank among the highlights. In addition, you can be very proud of the work that your Administration is doing to improve food safety and combat hunger, both at home and abroad. After spending more than three years at USDA, it is obvious to me why President Lincoln described it as the "people's department."

Thank you for choosing me to be a part of your team and for giving me a chance to help advance your agenda on Capitol Hill. It is the greatest honor of my life and an experience I will always cherish. Please let me know if there is any other way that I might be of service to you in the future.

Respectfully,

David Carlin

J. David Carlin
Assistant Secretary for
Congressional Relations

Original to Burkhardt
pr reply

Yes ☒
No ☐

cc: Executive Clerk

Yes ☒
No ☐

*For
Gru*

THE SECRETARY OF AGRICULTURE
WASHINGTON, D. C. 20250-0100

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

11-16-98

Send to Regulatory
Affairs for reply

Yes ☒

Coord
with
NRC/NBC

No ☐

Thanks for delivering this.
See you and Maria between
Thanksgiving & Christmas
for drinks & dinner

ROSAMOND S. BROWN
VICE PRESIDENT

GLOBAL USA, INC.
2121 K STREET, NW
SUITE 650
WASHINGTON, D.C. 20037

Rosamond

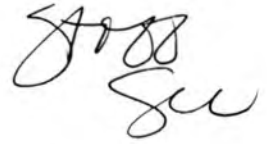
TEL: (202) 296-2400
FAX: (202) 296-2409

Congress of the United States

House of Representatives

Washington, DC 20515

November 10, 1998



The Honorable Bill Clinton
The White House
1600 Pennsylvania Ave., NW
Washington, D.C. 20500

Dear Mr. President:

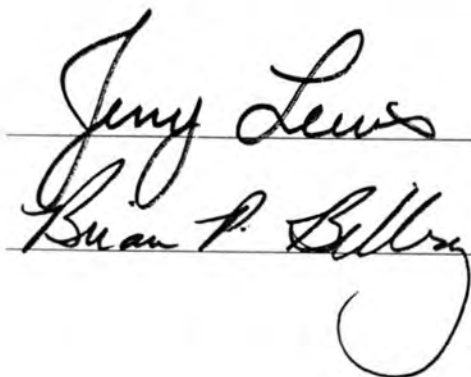
As members of the bipartisan California congressional delegation, we are writing to urge your strong consideration of San Diego, California as the site of the 1999 World Trade Organization Ministerial Conference. We understand that San Diego has been identified as one of six cities under official consideration to host the Conference.

California has long been known as the gateway to Latin America, Asia and, indeed, the entire Pacific Rim. California has worked extremely hard to enhance this role. The continued growth of the high technology industry throughout the State has made California even more prominent in the global marketplace. Ours is one of the few states in the union that has succeeded in exporting both significant amounts of agricultural products and high tech products.

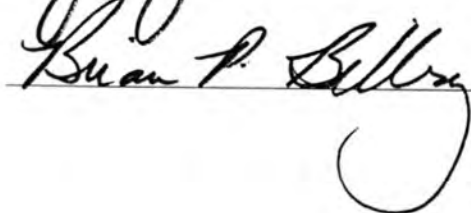
San Diego would prove an excellent host city representing the State of California. San Diego is a premier destination for conventions of all types, and has hosted a number of world-class events including a recent World Series, Super Bowl XXXII and the 1996 Republican National Convention. Moreover, San Diego's interest in trade with the nations of the Pacific Rim and Latin America is so high on the City of San Diego's agenda that its Mayor, Susan Golding, is currently on a three-week trade mission to Asia explicitly for that purpose.

As the country's leader in exports, not to mention overall production of goods and services, California has been the backbone of our nation's rise to the top of international trade. Selecting San Diego for the site of the WTO Ministerial Conference would highlight California's critical importance in the world marketplace.

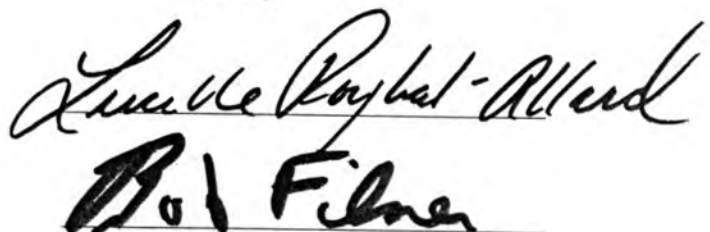
Sincerely,



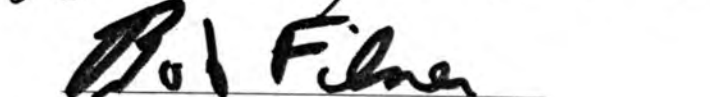
Jerry Lewis



Brian P. Bell



Lucille Roybal-Allard



Bob Filner

Albi Cunningham

Ron Jackson

George Feknerich

Mary Bono

Beck Offenberg

George E. Phung

~~Don Capps~~

Barbara Lee

And G. Z...

Sam Farr

Ed Raye

Frank Riggs

Bill Thomas

~~Tom Campbell~~

Jay Kim

Stephen Horn

Ken Calvert

~~Tom Lantos~~

George Miller

Loretta Sanchez

Ellen Tauscher

Gavin Brown

Vin Fagin

Cal Dooley

David D. Thier



11-13

Phil -

to Burkhardt for
TY letter?

☒ yes
☐ no

to Eugenie?

☐ yes ☐ no Dr.

Sent to Lul
house -
Frozen Carfish

Society 11/10:

Der Tent:

Thanks for the catfish--we
enjoyed it. ~~Our promise to~~

~~on a catered season was~~

It was a great game, but
we only had a week to celebrate.

Manos-Tennessee was a tough
loss, but the Vice President is enjoying

his barbecue.

(Need to check
facts).

Phil



11-13-98

TRENT LOTT
MAJORITY LEADER

Mr. President —
Arkansas is for real, 8-0.
Here's the catfish. I hope
you enjoy.

Sincerely,
Trent

UNITED STATES SENATE
WASHINGTON, D. C. 20510

The President
The White House

Hand-delivered

11-16-98

Tab A - pg 1 of cover memo & Tab A memo
NSC for reply
Benger / NSC WW Desk / COS

Tab B - pg 1 of cover memo & Tab B memo.
Burkhardt - for reply
COS

Tab D - pg 1 of cover memo & Tab D memo
Sperling / Brainerd / COS

Tab E - pg 2 of cover memo & Tab E memo
Burkhardt - for reply
COS / Sperling / Brainerd / Street / A. Lewis

THE WHITE HOUSE

WASHINGTON

November 13, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: PHILLIP CAPLAN *Phil*
DAVID GOODFRIEND

SUBJECT: Recent Information Items

Copied

Pg 1

Berger
NSC W.W. Desk
Cos
Burkhart
Sperling
Brainard

Copied

Pg 2

Burkhart
Cos
Sperling
Brainard
Street
Lewis

We are forwarding the following recent information items:

(A)

Rev. Jackson's Nigeria Remarks via Betty -- Rev. Jackson traveled to Nigeria November 9-11 with State Department officials to push for democratic and economic reform. He forwards his statement made before returning to the U.S.: Nigeria should aspire toward the "Big Tent Democracy" of inclusion and must respect the outcome of elections; economic reforms (e.g., eliminating the dual exchange rate, privatizing utilities and refineries, allowing oil companies to replace government oil exploration) are key to preventing civil unrest; the U.S. and Nigeria should continue to build bridges.

(B)

Hurricane Mitch Report from Mrs. Gore. Written report of her trip, which will also be released publicly. After your briefing today, you probably know much of what's in it, but I thought you should have it nonetheless. Please note that she makes several recommendations for follow-up; as you know, Maria is working on many of them.

(C)

Note and Speeches from Strobe Talbott -- Strobe forwards two recent speeches he delivered; the first on Russia, and the second on India-Pakistan; (1) *Russia* is searching for a "Russian way" of economic reform; the U.S. will focus on Russia's banking and energy sectors, food, U.S./Russia citizen exchanges; and cooperative threat reduction; Strobe also has a suggestion re: PM Primakov: because Primakov has been comparing his policies to those of FDR, you should send Primakov your favorite FDR book emphasizing the New Deal's reliance on structural features such as effective taxation -- ideas that we're urging on them. (2) *India and Pakistan* must focus on enhancing security without nuclear testing; a nuclear arms race would pose a serious economic threat to both countries;

(D)

James Harmon APEC Note and Mexico Report -- wishes you a successful APEC trip; the Ex-Im Bank continues to actively support trade with Korea, Indonesia, and Thailand. Regarding his November 2-4 Mexico trip, Jim notes that: (1) President Zedillo was delighted that you called him on election night; he expressed concern about the tragedy in Honduras and Nicaragua; (2) Mexico currently has \$5.2B in outstanding Ex-Im loans but has a good history with the Bank; (3) there is a serious credit shortage throughout the developing world, including Mexico; and (4) many of Mexico's largest companies need more funding than in previous years.

11-10-96

(E)

George Munoz Letter on OPIC Assistance to Central America, Caribbean -- you pledged to the CBC and Hispanic Caucus to assist the region and asked OPIC to develop a strategy; OPIC and Citibank will create a \$200M credit facility in the region (OPIC will guarantee half of the principal, provide political risk insurance, and screen loans; Citibank will provide underwriting and administration); final OPIC/Citibank agreements should be ready by December 1; George requests an Oval Office or Rose Garden signing ceremony. *We will circulate this request to appropriate staff for consideration.*

Do by
Mr. Gore
Oval

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Breinerd
Streett
Lewis

11-10-98

copied
Berger
NSC WW Desk
OAS

Embassy of the United States of America



"Nigeria's Big Tent Democracy: From Midnight to Daybreak"

Departure Statement

Reverend Jesse L. Jackson, Sr.

U.S. Special Envoy for the Promotion of Democracy and Human Rights in Africa

November 11, 1998

Rev. Jackson and his team, comprised of Ambassador Howard F. Jeter, Director of the U.S. State Department's Office of West African Affairs, other State Department officials and staff members of Rev. Jackson's non-governmental organization, the Rainbow/PUSH Coalition. The delegation arrived on Monday, November 9 for a three-day visit. They came in the context of Rev. Jackson's thirty-year relationship with Nigeria, but also under his current responsibility as U.S. President William Clinton's Special Envoy for the Promotion of Democracy and Human Rights in Africa. Rev. Jackson came to lend his weight and persuasive power to Nigeria's current transition to democratic civilian government. During this trip, Rev. Jackson held meetings with a cross-section of leaders from civil society, the religious community, the current Administration, the Delta region, the business sector and the press.

Nigeria is at a crossroads between democracy and dictatorship. After the deaths of Gen. Sani Abacha and M.K.O. Abiola, there was great uncertainty as to the direction that the country would take. As I read the news accounts and talked to Nigerian pro-democracy groups in the United States, I prayed that Nigerians would come together and move forward by their hope for a brighter future and not backwards by the memories of their dark past. I watched, critically, as the government named Gen. Abdulsalami Abubakar as the new Head of State, looking for a sign of positive change.

Along with the rest of the world, I did not have to wait long. On July 20, Gen. Abubakar set forth his government's plan for a democratic transition that would culminate in the hand-off from military rule to a democratically elected government in May 1999. From the darkest days of the Abacha regime, it seemed as if Nigeria was moving from midnight to daybreak. From a time when the international community built walls around Nigeria, it seemed the time had come to build bridges. The purpose of my visit was just that - to build bridges, between the U.S. and the Nigerian governments, upon which Nigeria can safely usher in a sun-filled democratic transition and move from daybreak to high noon.

The challenge facing Nigeria is to change its political culture from one of isolation to inclusion and to create a broad-based democracy, rather than tightly controlled and suffocating military government. Democratic elections can be called quickly, but it takes time to establish the democratic values and ethics of intolerance to corruption and respect for democratic institutions, including: separation of powers; checks and balances; an independent judiciary; freedom of press; broad-based access; public education; and, equal

economic opportunity. Nigeria must overcome the ills of its military culture for a new democratic culture, opting for one that is driven by democratic deliberation rather than decrees.

Our expressed purpose while in Nigeria was to push for democracy and economic reform. There are clear linkages between these two goals. In terms of the progression, stability and security lead to democracy, democracy to economic reform, which opens the door for debt restructuring and relief and ultimately development.

While in the country, we met with a cross section of leaders, including:

- Head of State, Gen. Abdulsalami Abubakar
- Minister of Foreign Affairs, Ambassador I.C. Olisemeka
- Emir of Kano
- Chairman of the Independent National Electoral Commission (INEC), Justice Ephraim Omokuse Akpata
- Gen. Ibrahim Babangida,
- members of the Abiola family,
- community and religious leader from the North and South, and
- prospective political candidates
- members of the business community

In all of these meetings, the message was the same. Nigeria has to aspire toward becoming a "Big Tent Democracy," where everyone is included. I have been asked frequently, why did you meet with this person or that group. My answer is simple, you must engage partners in peace – no one who wants to be in the tent can be left on the sidelines.

I encouraged all of the groups I met with to pursue building coalitions, even when faced by challenges, because you need everyone in the tent. In our attempt to reach out to a diverse audience, I am sure that some groups and persons were missed. This written statement as well as the numerous press events I participated in are aimed at reaching those we could not meet, due solely to the limitations of time and not the lack of interest.

During our talks, we appealed to the Head of State to consider a package of political and economic reforms as well as to release the remains of the Ogoni 9. This request was based on my desire to promote healing and national reconciliation. We presented Gen. Abubakar with the joint concerns as expressed by a group of representatives from the oil-producing Delta region. We also appealed to those who are running for elected office to pledge that, should they lose, they will continue to support the new democracy and not call the military back from the barracks. After all, in a political culture where winning is everything, everyone loses. I know from my experience, having participated in two presidential elections, that when you run you hope to win. However, if you are running to serve the country and not your own personal ambitions, you realize that there are many ways to serve. "My way or no way" simply does not work.

Nigeria must undergo democratic and economic reform because military control has failed. Under military rule oil prices dropped to a new low of \$11/barrel. It was hard for me to believe that there are such things as "fuel lines" in a country that produces 10% of OPEC's oil. Next year, the government expects a fall in oil revenues from \$12 billion to 7 billion. The government must immediately address this problem or else the public could mistakenly associate the economic downturn with the advent of a newly elected democratic government.

Military rule failed Nigeria because it demonstrated it could control people with guns, but it could not get World Bank or IMF money or debt relief or air rights to desired destinations. It could control and intimidate people with guns, but Nigeria could not grow. This system cannot work.

Nigeria is so critical to Africa's stability and security. It is Africa's most populous and endowed country, with a quarter of the continent's population and a vast array of natural resources. There is a sense in which Nigerians are at a critical moment of opportunity; they should go forward by hope and dreams and not backward by memories. In these last few months, we have seen Nigeria go from isolation to a country of inclusion, moving toward its rightful place at center stage, and we are delighted.

Gen. Abubakar assured us that Nigeria will host successful democratic elections as promised. But, Nigerians have to look past democratic elections to building democratic institutions, which takes patience and time. You have to water the roots to make a democracy really grow. You must match a democratic election with democratic values. Ultimately, the military culture must see advantages to a democratic culture of accountability and transparency. The entire society must see advantages of moving from decrees to democratic decision-making. The international community demands democracy and respect for human rights as prerequisites to development.

One imperative is economic reform. I have a tremendous sense of hope about the election next year. I also think that we would do well to warn the Nigerian people to look beyond the elections and to examine the economic challenges Nigeria faces, including:

- *eliminating the dual exchange rate system* — which benefits a privileged few and obscures the way the Nigerian government spends its funds
- *privatizing inefficient parastatals* — including telephone and electric utilities, and petroleum refineries, in order to eradicate the 2-day long fuel lines that continue to plague this oil-rich nation
- *implementing an "alternative funding mechanism"* — which allows multinational oil companies to fully fund oil exploration budgets, and in turn frees up government contributions to meet other pressing demands

At this point Nigeria is operating at about 25% of its productive capacity. If your lungs operated at such low levels, the lack of oxygen would lead to a heart attack and certain death. The Nigerian government must honor its stated commitment to revive all of the opportunities in this economy to prevent its economic demise. The upside of carrying out these reforms, in a just and democratic society, is that when the economy tends to grow,

4

investment comes and the standard of living for all Nigerians improves. The downside of inaction is that Nigeria will fall further behind its African neighbors, who are implementing reforms, and it will face growing civil unrest in light of greater economic hardship.

Nigeria is an important U.S. economic partner, with more than \$7 billion in investments and 35% of Nigerian's crude oil market in imports. So, there are strong relationships here, and I am glad that now bridges are being built between our two countries. In recent months, Gen. Abubakar has met with both President Clinton and Secretary of State Madeleine Albright, and has welcomed United Nations Secretary General Kofi Annan and leaders from the Commonwealth to Nigeria. Just two weeks ago, a civil aviation team was here to look at how to get the airports fully functional. A U.S. counter-narcotics and law enforcement team also came to discuss ways of cutting the drug flow as Nigeria tries to increase the oil flow.

Things are changing for the better in Nigeria. Political detainees are being released. I met Nigerians on the plane, who were coming home after many years of self-exile. Gen. Abubakar has set a credible election process in motion. These are all signs that Nigeria is heading in the right direction. So, in Nigeria it is morning time, and I challenge all Nigerians to be a part of this bright morning - to nurture the beginnings of this nascent democracy and create a vibrant, free and caring society.



11-16-98

98 NOV 13 PM 7:02

OFFICE OF THE VICE PRESIDENT
WASHINGTON

Copied
Burkhart
COS

REPORT TO THE PRESIDENT

FROM: Tipper Gore
REGARDING: Presidential Delegation to Central America
DATE: Friday, November 13, 1998

Mr. President, the people of Central America have suffered a disaster of Biblical proportions. The pace of their recovery depends, to a large measure, on what we as their neighbors do to help them, and on the long-term involvement of the international community.

Every member of your delegation to Central America is deeply grateful for the opportunity you gave us to visit this region and witness firsthand the devastation that has resulted from Hurricane Mitch.

The scale of the disaster is beyond anything we have ever witnessed, beyond anything ever recorded in the region, surpassing even the devastation of the Managua earthquake of 1972. The human toll from this disaster is immense -- more than ten thousand lives lost. No one in Central America has been untouched by this tragedy.

The Devastation

On the first day of our trip, we went to the Manuel Bonilla school in Honduras. Before the storm, it was a resource for the entire community -- now, it's submerged in mud. A courageous and determined group of local men and women in the community are working to dig it out of the muck and turn it into a medical facility to heal the sick and injured. Our delegation pitched in to help -- spending the day shoveling mud and caring for young children, who are still bewildered by what has become of their homes, their neighborhoods, and their families.

That evening, we slept in tents outside a shelter in the Japon School, where we talked to people about where they were when the storm hit. Even though there was a warning system in place, many lived too far from town to hear it. Before they knew it, they had water up to their chests. I met one woman who was six months pregnant. I met a grandmother caring for her grandchildren. I even met a blind man who had to find his way out of danger by touching the wet and slippery walls. Each had lost everything. All are now living together in one large room. Disease is rampant.

The next day in Managua, we went to Ciudad Sandino to see the flood damage. An entire

village was completely washed away -- wiped out. People are finding what shelter they can beneath sheets of plastic draped over branches stuck in the ground. One small stream trickles through the area, but it is contaminated. The people are battling outbreaks of both cholera and malaria. They have to rebuild -- but are mostly concerned now about food and water. We spent the day unloading supplies -- baby food, water, and diapers.

Remarkably, Mr. President -- even among men and women who have lost hundreds of friends and family members -- people have not lost heart. Their spirit and determination in the face of this disaster inspired every member of this Delegation. They need help, but they are not waiting for help. They are doing everything they can to pick up what pieces remain and rebuild. In Honduras, they are already working on a plan to rebuild lost homes. In the make-shift shelters in Managua, many people had tape measures and were measuring foundations for new walls they will build as soon as materials arrive. They are suffering immense pain and grief, but their spirits defy fatigue and discouragement. They will get through this. And their North American neighbors will be by their side.

We were all heartened to see the hard work being put forth by our Embassy personnel, USAID relief workers, their private U.S. organizations, the U.S. military and all the other U.S. Government people who have rushed to the scene. The professionalism and determination of all those joined in relief efforts is uplifting and appreciated tremendously by the people of Central America.

As you know, the American relief presence in the region is large and growing. The announcement of \$70 million in aid you made last week, and the additional \$10 million you authorized me to announce on Tuesday, is a welcome and desperately needed investment in the recovery of our neighbor countries in Central America.

During our trip, I was graciously received by President Flores of Honduras and President Aleman of Nicaragua. Both are diligently coordinating relief efforts, even as they themselves share in the grief and suffering that have come to their people. They expressed their immense gratitude for U.S. efforts to help their countries through this crisis -- but the scale and scope of the disaster demands that they ask for more.

After seeing the extent of the damage -- the loss of hundreds of thousands of homes and the catastrophic collapse of important infrastructure -- I have prepared, in consultation with our delegation and relief experts, a set of recommendations I believe will help address the needs of our Central American neighbors, in a way consistent with the close ties of friendship between our nations.

Recommendations/Policy Considerations

As I noted earlier, Mr. President, the efforts and accomplishments of our military personnel have been heroic, but they could multiply their impact if they had more resources. I understand that an additional \$45 million in draw-down authority is available now that could support expanded DoD efforts in relief operations. In addition, Mr. President, I recommend that you look for ways to

expand DoD's efforts further. They are doing a tremendous job.

Mr. President, I would also like to share with you the sense of urgency conveyed by Presidents Flores and Aleman as they discussed their concerns over their external debt, and their desires for enhanced trade with the United States. They both know it will take immense amounts of time and money to rebuild their countries. They believe that an even playing field in their trade relations with the United States would speed their economic recovery.

They also believe that their foreign debt -- under the present circumstances -- is an immense obstacle to rebuilding their economies. Mr. President, I recommend that you find the best way to provide bilateral and multilateral debt relief for these stricken countries, and to support offers of emergency financial assistance from the international financial institutions. I know your team has already been in deep discussions on these issues, and that you will do all you can to help relieve these countries of any burdens and barriers that will hinder efforts to rebuild their nations.

Also of concern to the Presidents are the immigration issues that confront Central Americans in the United States. I understand that the INS has authorized a temporary stay of deportations for Honduras, Nicaragua, El Salvador, and Guatemala through November 23rd. Clearly, we cannot deport people whose native countries have been devastated. For humanitarian reasons, I ask that you suspend deportations through the holidays. I also ask that you review U.S. policy early in the new year, based on recommendations to be provided on an urgent basis by appropriate agencies. Finally, President Flores expressed concern about unequal immigration status among Central Americans residing in the United States. I ask that you consider introducing legislation that would put Central Americans on equal footing with one another in the eyes of I.N.S.

I also recommend the rapid deployment of skilled U.S. disaster experts and others who can work at the side of government officials, local groups, and those most immediately affected to aid them in their efforts. As I suggested in my Tuesday phone call to you, the Federal Emergency Management Administration and the Agency for International Development could work together to deploy Spanish-speaking FEMA officials who have recent experience in Puerto Rico and elsewhere. They could make an immense difference.

As you know, the Peace Corps maintains a "reserve" of experienced "Peace Corps Alumni" they call their "Crisis Corps." They have names of about 2,000 volunteers, who can be very effective in working with non-government organizations and local groups on relief and recovery projects. These volunteers could be mobilized to provide short-term assistance in the Central America recovery effort. We need to draw attention to this unique resource and encourage its full use. In the longer-term, we should encourage the Peace Corps and USAID to make this resource even more effective by finding ways to speed deployment, and perhaps explore ways to give these volunteers the right to return to their places of employment after spending time overseas during a disaster.

We should look to USAID, the Peace Corps and other groups to expand our existing mechanisms for dealing with disasters such as Mitch, and to explore new initiatives to draw on our wealth of human resources. This could include gathering significant numbers of private citizen volunteers, including our seniors.

The private sector is keen to support and participate in assistance efforts. USAID coordinates these efforts, and would be an experienced guide in helping expand private sector involvement. In particular, we should find ways to facilitate efforts of U.S. companies operating in disaster-stricken areas to provide goods and services to the relief effort.

It was apparent from our visit that the most valued and vital element of any relief effort is project coordination. Continuous improvement of project coordination should be an ongoing goal of our relief effort. There are many private organizations throughout the United States that have valuable talent and experience in this area. Building a registry of private organizations and a means for coordinating reporting activities -- perhaps using the Internet -- could help us improve and accelerate our crisis response. There is no doubt that -- over the next months and years -- the disaster relief operations in Central America will give rise to many novel approaches. Creating a storehouse of information on the relief efforts will help ensure we don't lose the benefits of the lessons we learn in this disaster -- so that we can take advantage of them to help minimize the grief and suffering that may come in future disasters.

Also, Mr. President, President Aleman said that he would greatly appreciate U.S. expertise to assist with reforestation in the aftermath of the catastrophic mudslide. The Nicaraguan people would like to develop a memorial park at the site of the disaster. In addition, the President wondered if it was possible to get technical assistance to help them better understand their volcanoes and the dangers associated with them. The U.S. Geological Survey and USAID have environmental experts standing by, ready to provide this assistance. Mr. President, I recommend you offer the Nicaraguan people the full benefit of U.S. expertise in this area, to help them speed their recovery, restore their environment, and remember their loved ones.

Finally, Mr. President, we may not be capable of preventing disasters, but we are capable of preventing deaths -- by anticipating disasters, warning the people in danger, and doing everything we can for their safety. Before I left for Central America, I received a fascinating briefing by the U.S. Geological Survey, the National Oceanic and Atmospheric Administration, and MEDEA. These organizations work together to use intelligence, geological, and weather data to prepare a remarkably vivid picture of the hurricane and its aftermath. Analysis of this type could have warned people living in high-risk areas to evacuate when the rains started. Even now, the information can help relief workers find the hardest hit areas and identify critical damage to road networks and utilities. This approach can also identify danger areas (such as areas at risk for mud-slides) so people can avoid them when they rebuild towns and roads. Perhaps most valuable, this technology can allow us to monitor the long-term environmental impact of the storm and literally watch the recovery process. That way, we can identify problem areas -- such as failing crops -- before they become major crises.

The United States has this technology right now. But we do not have it deployed where we need it. The Vice President has been promoting the development of this concept -- referred to as G-DIN, the Global Disaster Information Network -- for more than a year now. I understand that relatively modest investments can help expand this network, and help ensure that the people who really need this information -- both in the US and abroad -- can get it when and how they need it.

Conclusion

Mr. President, our friends and neighbors in Central America are well aware of your personal commitment to address their immediate and long-term recovery needs. They are touched by our generosity; we are moved by their bravery -- moved not just to emotion, but moved to action. This is a decisive moment in our relations with the people of Central America. They need us now, desperately. And they will never, ever, forget any kindness we can show them in their time of need.

The members of the delegation and I again thank you for the honor of representing you in Honduras and Nicaragua. We are all eager to be of continuing service as we help our Central American neighbors rebuild their homes, their lives, and their nations.



11-16-98

98 NOV 13 AM 10:51
Nov. 12, 1998

PRESIDENT AND CHAIRMAN

Dear Mr. President,

Enclosed is my Mexico trip report -
Re. APSC, we continue to actively support trade
with Korea, Indonesia and Thailand - As soon as
each country utilizes more of the facility, we
will increase the amount available.

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Wishing you a successful trip -
Regards.

Jim





11-16-98

'98 NOV 13 AM 10:51

JAMES A. HARMON
PRESIDENT AND CHAIRMAN

EXPORT-IMPORT BANK
OF THE UNITED STATES

MEMORANDUM FOR THE PRESIDENT

FROM: James A. Harmon
RE: Report on my recent trip to Mexico
DATE: November 12, 1998

I am pleased to report to you on my trip to Mexico November 2 - 4. The purpose of the trip was to assess conditions in Mexico and determine how Ex-Im Bank could provide additional trade finance for Mexican purchases of U.S. goods and services.

First, a brief comment on our meeting with President Zedillo. Zedillo was delighted that you had taken the time on Election Day to return his call. He thanked me for our expression of confidence and support for Mexico and for the economy. He requested that I meet with Minister of Finance Jose Gurria after our meeting to explore how we could provide additional credit for purchases of U.S. goods. Zedillo plans to visit Japan before arriving in Malaysia for the APEC meeting. He will make a speech at APEC on the importance of free trade and the Mexican experience. He expressed his concern regarding the tragedy in Honduras and Nicaragua and requested that we emphasize to the appropriate parties the need for helicopters to bring food and supplies to the isolated regions of these countries.

Second, for background, it is interesting to note that the second transaction ever done by Ex-Im Bank was to finance an \$85,000 sale of water pipe meters to Mexico in June 1934. In the past 20 years, Ex-Im Bank has supported approximately \$24 billion of Mexican purchases of U.S. goods. During this period, Ex-Im Bank's credit experience with Mexico has been excellent - with claims paid totaling only 1.2% of authorizations. Current outstanding loans and guarantees to Mexico are approximately \$5.2 billion. In FY98, Mexico was Ex-Im Bank's largest buyer of U.S. products (approximately \$1.8 billion). In FY98, it is estimated that Mexico's total purchases from the U.S. were \$75 billion.

Third, there is a serious credit shortage throughout the developing world, and Mexico is not an exception. Despite the recent improvement in global investor confidence and in the global equity markets, the private banking sector continues to be highly risk adverse toward the developing world. Mexican banks and international banks are unwilling to take more Mexican risk. The Minister of Finance asked us to consider substantially increasing credit in support of purchases of U.S. goods. Part of the Ex-Im Bank team remained in Mexico to explore this subject further with two Mexican State banks.

Although Dr. Ortiz, Governor of the Central Bank, informed us that the Mexican economy continues to grow at 7% this year, we heard considerable pessimism concerning the economic outlook for next year. With small and medium sized companies unable to obtain credit and interest rates exceeding 30% per annum (inflation is at 17% per annum), we are exploring ways in which Ex-Im Bank could extend credit to banks to "on-lend" funds to these companies.

Fourth, we met with a number of the largest companies in Mexico, many of which have requirements for funding that are significantly greater than prior years.

Earlier this week, President Chirac visited Mexico City. Among the items on President Chirac's agenda, was a meeting with Cintra, S.A., the holding company for the two major Mexican airlines. Both of these airlines will be placing a significant order for commercial jet aircraft (in excess of \$1 billion) in the not too distant future and are in the process of deciding between Boeing and Airbus aircraft. We also visited with Cintra and stated that (i) the U.S. considers this to be an important aircraft order and (ii) Ex-Im Bank would do whatever it could to support the purchase of U.S. manufactured aircraft by Cintra's affiliated airlines.

I have the following additional comments:

- ◆ With private sector banks on the sidelines, official export credit agencies have become significantly more important during this global crisis. Some of the G7 export credit agencies are, however, becoming more cautious with the result that the Ex-Im Bank of the U.S. may have an opportunity/challenge to play a greater role in meeting the needs of the developing world. This will, of course, be positive for U.S. exporters.
- ◆ This credit crunch is particularly important for us in Mexico. We must find the means to efficiently support more Mexican purchases of U.S. goods. President Zedillo and his team are doing a good job but have a serious short- and long-term bank sector problem that will impact many of the small and medium sized companies in Mexico. It is unlikely that the private sector or the capital markets will reopen near term for Mexico. A slow-down of the Mexican economy will have a further impact on our trade deficit with Mexico - which is running at approximately \$18 billion per annum. Therefore, Ex-Im Bank must step up at this critical time.
- ◆ President Zedillo specifically asked me about our position on Russia. Unfortunately, the decision of ICRAS last week will force Ex-Im Bank to close in Russia. I share President Zedillo's opinion that closing off Ex-Im Bank's sources of credit to Russia may not be the wisest course of action at this time.

OVERSEAS PRIVATE INVESTMENT CORPORATION

WASHINGTON, D.C. 20527, U.S.A.



November 10, 1998

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

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A. Lewis

OFFICE OF THE
PRESIDENT

Dear President Clinton:

A little over a year ago, you asked OPIC to develop ways to support your commitment to Central America and the Caribbean, and to realize your pledge to the Congressional Hispanic and the Congressional Black Caucuses that OPIC would assist the region in "promoting prosperity and in making the transition to the global economy". I am happy to report that we are ready to fulfill your request in the form of an innovative public-private partnership that will address one of the more critical problems of the area – the need for medium to long term financing.

Background

In response to the commitments you offered in Bridgetown and San Jose, OPIC has proposed an innovative program to partner with Citibank to create a \$200 million Credit Facility for the region. This facility will offer loans ranging from \$500,000 to \$40 million and having a minimum tenor of one year to a maximum tenor of ten years. The new facility will come at a particularly opportune time, in light of the destruction caused throughout the region by Hurricanes Georges and Mitch, as we expect it to increase private sector involvement in helping rebuild the economies of those countries.

Citibank, with over 25 years of experience in the region, has the largest presence of any U.S. bank in the region, with over 1,000 employees in branches in 10 countries. However, Citibank is currently constrained in its ability to offer new loans in the region because of the level of its existing exposure there, as well as the difficulty of finding other banks willing to participate in new loans in the region.

Citibank's partnership with OPIC addresses these problems. OPIC will guaranty one half of the Citibank funds advanced as principal under the \$200 million Credit Facility. OPIC will also offer Citibank political risk insurance, specially tailored to work with structure of the facility, for the fifty percent portion of the facility loans on which Citibank bears the commercial risk.

This \$200 million Credit Facility will result in significant benefits for the region. New investment in the region will create jobs and provide much needed capital to help rebuild

economies, including those devastated by the recent hurricanes. Examples of the types of projects that could be supported by the Credit Facility include a power project in Guatemala, an airport in the Dominican Republic and various tourism related projects in the Caribbean.

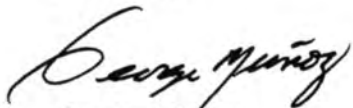
The Facility will work as follows: Citibank will carry out all credit underwriting, administration and monitoring of the facility, including using its significant experience and presence in the region for collection activities if necessary. OPIC will screen each loan to assure that it meets OPIC's statutory, policy and other internal requirements. The result will be projects that have withstood Citibank's careful credit screening as well as OPIC's scrutiny in assuring compliance with such standards as environmental protection, labor rights, and protection of jobs here in the U.S.

Action

My staff is working with Citibank to negotiate the final terms and conditions, which will be reflected in a finance agreement and a political risk insurance contract. These agreements should be ready for signature by December 1, 1998. It would be OPIC's honor, as well as a vivid manifestation of your commitment to the region, to have them signed in the Oval Office or the Rose Garden, accompanied by Members of the Congressional Hispanic and Black Caucuses, as well as representatives from Citibank. We stand ready to work with your staff to make this a reality if you so choose.

Thank you again for your continued support for OPIC and I look forward to working with your staff.

Sincerely,

A handwritten signature in dark ink, appearing to read "George Muñoz", with a stylized, flowing script.

George Muñoz
President and
Chief Executive Officer

11-16-98

THE WHITE HOUSE
WASHINGTON

November 13, 1998

MR. PRESIDENT:

Attached are the following weekly reports:

- (A) **Weekly Economic Briefing**
- (B) **Interest Rates/Update on Global Markets**
- (C) **DPC Report**
- (D) **NEC Report**
- (E) **CEQ Report**
- (F) **OSTP Report**
- (G) **Legislative Report**
- (H) **Communications Report**
- (I) **Public Liaison Report**
- (J) **Intergovernmental Report**
- (K) **Cabinet Affairs Report**
- (L) **Political Report**

Phil Caplan *Phil*

Tab A - Entire Report: Yellen/COS
Pg 2: VP/COS
Pg 7: Reed/Spenling/COS

Tab C - Stein/COS

Tabs D - G not returned

Tab H - Lewis/Spector memo: Lewis/Spector/COS

Tab I - Moore/COS

Tab J - Entire Report: Ibanez/COS
Pg 1: Echevarria/COS

Tab K - not returned

Tab L - Smith/COS

11-16-98

November 13, 1998

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~~THE~~ PRESIDENT AND THE VICE PRESIDENT

ith

Weekly Political Update

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CALIFORNIA

Sponsors of Proposition 10 (led by actor-director Rob Reiner), the November 3 ballot initiative to increase cigarette taxes by 50 cents a pack, declared a razor-thin victory Wednesday. The opposition, the Committee Against Unfair Taxes, which was financed primarily by multimillion-dollar contributions from the tobacco industry, conceded defeat. The measure is ahead by 57,000 votes out of more than 7.6 million cast.

good
Indicating the high priority he is placing on education reform, Governor-elect Gray Davis (D) chose Barry Munitz, former chancellor of the California State University system and current president of the J. Paul Getty Trust, as chair of his transition team.

Janice Hahn, Democratic candidate in the 36th Congressional district, conceded defeat in her race against Assemblyman Steve Kuykendall (R). Hahn held off conceding, hoping that absentee ballots would put her over the top, but in the end lost by a few thousand votes.

DISTRICT OF COLUMBIA

For
Mayor-elect Anthony Williams (D) announced his transition team November 12, including his selection of former presidential candidate Bob Dole (R) as honorary co-chairman. Dole will share the position with former Clinton Administration Budget Director Franklin Raines (D). Other members of the team include Children's Defense Fund founder and president Marion Wright Edelman, who will serve as general chair of the team; Barry Campbell, former chief of staff to Mayor Marion Barry; Robert Johnson of Black Entertainment Television; and businessman Rock Newman.

GEORGIA

Since House Speaker Newt Gingrich (R) announced his intention to resign on November 6, several potential candidates have been mentioned to succeed him in the 6th Congressional district. Among several Republicans who have indicated an interest in running, Gingrich's choice to succeed him is Georgia School Board Chairman Johnny Isakson (R). Frequently mentioned potential Democratic candidates include 1996 Gingrich challenger and 1998 senatorial nominee Michael Coles (D), 1998 candidate for the 6th Congressional district Gary Pelphrey (D), former Rep. Buddy Darden (D), and Secretary of State Lewis Massey (D). Pelphrey, who received 29% of the vote this year, is reportedly interested in the seat, while Darden and Massey are reportedly not interested. It is not clear whether or not Coles is interested in running. Coles spent \$3.5 million and garnered 42% of the vote in his 1996 race against Gingrich.

The 6th House District is mostly in Cobb and Gwinnett Counties, located north and north east of Atlanta. Democratic performance in this district is in the low 30s, which makes it an uphill battle for any Democrat who attempts to win this seat.

Gingrich said November 13 that he will serve the remainder of his current term before leaving office in January (the new Congress is sworn in on January 6). Governor Zell Miller (D) has 10 days to announce and schedule a special election. Many observers believe this race will take place early next year and expect it to be a nonpartisan race, which boosts Democrats' chances in this highly conservative district. If no candidate receives more than 50%, the top two vote-getters proceed to a run off.

Also this week, Georgia's state House Democrats selected their leaders. 1996 Clinton/Gore co-chair and state Rep. Calvin Smyre (D) was chosen to chair the state House Democratic Caucus, becoming the first African American to serve in one of the top leadership posts in the Georgia House.

ILLINOIS

Prosecutors unveiled new allegations this week in the ongoing investigation of questionable fundraising practices in Governor-elect George Ryan's (R) recent campaign. A state employee admitted in a plea bargain that he acted as a middleman between employees of a Melrose Park testing facility and the Ryan campaign. He claimed that "an obligation" to contribute to Ryan was at the bottom of a license-selling bribery scheme hatched by state employees of the plant.

IOWA

Iowa Democratic Party Chairman John Norris announced November 11 that he is resigning his post to accept a position with Governor-elect Tom Vilsack's (D) transition team. Norris' successor will be elected at a November 21 meeting of the party's State Central Committee, and Vilsack is expected to play a major role in deciding the next chairman.

MINNESOTA

Governor-elect Jesse Ventura (R) appointed former Congressman Tim Penny (D) to a volunteer advisory board to be led by Ventura campaign chairman Dean Barkley. Also this week, Ventura selected Penny's former chief of staff, Steven Bosacker, to head his transition staff.

Bill Hillsman, a media advisor to Ventura, admitted this week that a body double was used in a popular campaign ad portraying Ventura as "The Thinker." Hillsman contends that the ad was never meant to mislead voters, but rather that they could not spare the 10-12 hours in Ventura's schedule that it took to film the ad.

NEVADA

A recount of 6,000 absentee ballots completed November 12 in the race for U.S. Senate indicated that Senator Harry Reid (D) defeated Rep. John Ensign (R) by 401 votes. Rep. Ensign has until December 2 to request a statewide recount, a move that is being encouraged by the state's Republican Party.

NEW HAMPSHIRE

Jeff Woodburn, chairman of the New Hampshire Democratic State Committee, announced November 12 that he would not seek re-election when his term expires in February 1999. Leading contenders to succeed him are Manchester attorney Kathleen Sullivan, former chair Michael King, and Rockingham County Democratic chair Bill Verge.

OHIO

Senator-elect and Governor George Voinovich (R) denied charges of illegally laundering \$60,000 from his 1994 gubernatorial campaign to pay off his brother and a state lobbyist. If found guilty of the charges by the Ohio Election Commission, Governor Voinovich faces a hefty fine, but his ascension to the Senate is unlikely to be affected.

VIRGINIA

Governor James Gilmore (R) appears in a full page ad for the National Rifle Association in this week's edition of *U.S. News and World Report*. The ad is part of the organization's "I'm the NRA" campaign to highlight prominent citizens who are members.

DEMOCRATIC NATIONAL CONVENTION

The Democratic National Committee's Site Advisory Committee announced November 12 that they had narrowed their choices to three cities -- Los Angeles, Boston, and Denver -- as potential sites for the Democratic National Convention in 2000. Miami, Minneapolis and New Orleans were eliminated as contenders, and Philadelphia withdrew from consideration following its selection last week by the Republican National Committee as host of the 2000 Republican Convention.

GAY AND LESBIAN VOTERS

Out gay voters made up at least 4% of the total vote nationwide in the mid-term election, according to a national Voter News Service exit poll. (In 1996, gays represented 5% of the total vote and 7% the Clinton/Gore vote). This year, 66% voted for Democratic House candidates, which was nearly identical to Hispanic voters, who made up 5% of the total vote and gave 65% of their votes to Democratic House candidates. In California, Governor-elect Gray Davis (D) received 74% of the gay vote, while in New York, Senator-elect Chuck Schumer (D) got 77%. The exit poll relied on respondents who willingly identified themselves as gay to a pollster, so the total gay vote is likely greater than 4%. Also, in Wisconsin's 2nd Congressional district, Tammy Baldwin (D) became the first open lesbian ever elected to Congress and the first gay person to win as a non-incumbent.

cc:	The First Lady	Mrs. Gore
	John Podesta	Maria Echaveste
	Doug Sosnik	Minyon Moore
	Ann Lewis	Bruce Reed
	Joe Lockhart	Larry Stein
	Mickey Ibarra	Thurgood Marshall, Jr.
	Paul Begala	Sidney Blumenthal
	Melanne Verveer	Audrey Haynes
	Ron Klain	Maurice Daniel
	Stacie Spector	Marsha Scott
	Monica Dixon	

11-16-98

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THE WHITE HOUSE

WASHINGTON

November 13, 1998

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MEMORANDUM FOR THE PRESIDENT

FROM: Mickey Ibarra

SUBJECT: Office of Intergovernmental Affairs Weekly Report - November 9-13, 1998

Steel

- IGA organized a conference call on the steel crisis with Gene Sperling and approximately 30 elected officials from the key steel producing areas. Gene briefed the officials on the actions the Administration is taking to respond to the situation and listened to their appeals for the Administration to vigorously enforce our trade laws and protect U.S. jobs.

Governors

- Governor Paul Patton (D-KY) was in town Monday to attend the NCAA Basketball ceremony honoring the University of Kentucky. While at the White House, we arranged for the Governor to meet with the Millennium Council on an event that Governor Patton will be attending during December in Nantes, France.

Maurice Governor Jane Dee Hull (R-AZ) and Governor Pete Wilson (R-CA) would like to mobilize their National Guard units to transport food and supplies to Honduras. Both indicate, however, that the message they have received from the ground in Honduras is that shipments cannot be distributed once they arrive at the airport. They are seeking our help to improve this situation before complaining publicly. All mobilization requests are being referred to DOD for a response.

- Governor-elect Tom Vilsack (D-IA) and Lt. Governor-elect Sally Pederson (D-IA) were very pleased to have dinner with the Vice President Wednesday evening and the opportunity to meet with you on Thursday morning. We are working to get him updated information on Canadian wheat "dumping," airline competition regulations, and NGA committee assignments. They also met many senior staff at the White House.
- Governor-elect Gray Davis (D-CA) will be in Washington tomorrow evening and throughout the day on Sunday. We are working with Scheduling to set up a brief meeting with you before you depart for Asia. Additionally, while in Washington Governor-elect Davis will be having dinner with the Vice President.

Mayors

- We met with Mayor Brian Ebersole of Tacoma, WA and a delegation that included Rosa Lee Hannah, a representative of the Puyallup International, the economic development arm of the Puyallup Tribe. The tribe has partnered with the city for their empowerment zone application and may be the only tribal-city joint project in the country.
- We met with Mayor Willie Herenton of Memphis, TN about the economic development plans for the city. They have a comprehensive plan in place that includes welfare-to-work initiatives, and a large job training component. We were reminded that Memphis is a very large metro area--bigger than Atlanta. The city's population is 55% African-American, and the poverty rate is high. The Mayor is committed to an aggressive program of partnerships between the city, county and private interests, as well as an active pursuit of more federal assistance.
- We arranged for mayors Ernest Davis (D-Mt. Vernon, NY), Joseph Ganim (D-Bridgeport, CT) and Bret Schundler (R-Jersey City, NJ) to attend the \$60 million afterschool grants announcement on Thursday, November 12, and conducted a IGA briefing following the event.

Indian Country

- The Department of Defense held the first ceremony honoring Native American veterans. No other group in America has a higher percentage of its population who have served in uniform. Lynn Cutler addressed the gathering.
- Maria Echaveste convened a meeting of several people from the White House and the agencies to consider initiatives and policies that would be helpful to Indian Country.

Insular Affairs

- You are scheduled to visit Guam on November 23. Governor Gutierrez and the people of Guam are very pleased and look forward to hosting you.
- Governor Pedro Rossello (D-PR) attended the White House Breakfast you hosted on Veteran's Day, November 11. He is a veteran of the Army National Guard. In a meeting prior to the breakfast he expressed his profound gratitude for the excellent disaster relief response of FEMA and your Administration.

CNS Visit

- On Thursday, IGA completed a visit to the Corporation for National and Community Service (CNS). We met with Harris Wofford and his senior management team to explain our mission and responsibilities as well as get better acquainted with the CNS team responsible for working with state and local elected officials. We have agreed to assist CNS with governors and others to build support for their reauthorization.

IGA Outreach

- This week, we sent material to selected officials regarding your After School Program grant announcement and your new efforts to support police officers and protect our communities.

Week Ahead

- On Tuesday, November 17, IGA is convening an FY2000 Budget and SOTU consultation meeting with the Big Seven organizations of elected officials and Jack Lew, Bruce Reed, and Sally Katzen. We will also convene a Y2K local and state government sector meeting to develop an assessment process and plan.
- I will address the Olympic Environmental Education Leadership Summit in Salt Lake City Friday, November 20 and the National Association of Latino Elected and Appointed Officials (NALEO) institute for newly elected officials on Saturday, November 21 in Washington, DC.

11-16-98

THE WHITE HOUSE
WASHINGTON

November 13, 1998

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MEMORANDUM FOR THE PRESIDENT AND THE VICE PRESIDENT

FROM: MINYON MOORE

SUBJECT: OFFICE OF PUBLIC LIAISON WEEKLY REPORT (Nov. 9-Nov. 13)

Copied
Moore
COSACTIONS SUPPORTING PRESIDENTIAL INITIATIVES

- **After School Child Care Event:** OPL brought in our key groups for the After School Child Care event on Thursday. Your remarks at the event were sent to our constituencies, including 500 women's groups and over 150 children's advocates, among others. OPL has received very positive feedback from the children's community, in particular, which is very pleased about the 21st Century Community Learning Centers.
- **White House Conference on Social Security:** On Friday, Gene Sperling and I met with over ten leaders from key seniors groups, including the AARP, OWL, NCSC, and the National Council to Preserve Social Security, to give them an overview on the upcoming White House Conference. The meeting also gave the groups the opportunity to provide their input and suggestions for the conference.
- **Presidential Council on HIV/AIDS:** Your Council on HIV/AIDS begins a four day meeting on Monday here in Washington and is scheduled to meet with you on December 18th. The meeting takes place against a back drop of some remarkably good news on the AIDS front in the United States. Activists are excited about the record funding obtained in the FY '99 budget (especially the funds targeted for African American and other communities of color). The new AIDS drugs continue to reduce death rates and people are living longer, especially in communities hardest hit in the early stages of the epidemic. Even the disappointment with the Administration's decision not to use federal funds for needle exchange has faded substantially, particularly in light of the hard line reaction Congress took to your middle ground approach.

govt. ✓
President's Initiative on Race: I met with representatives from Stedman Graham's public relations firm who have expressed interest in contributing to your Initiative on Race. They would like to advise OPL in an informal role to develop a strategy for encouraging corporations to engage in the PIR and to embrace the recommendations outlined in the advisory council's report to you.

CONSTITUENT OUTREACH AND OTHER ISSUES

AFRICAN AMERICAN OUTREACH

- **Africa Policy:** OPL met with NSC, NEC, and USTR to develop a plan of action to build new support for our Africa Trade and policy initiatives. We discussed reinvigorating our policy objectives and underscoring Africa as a priority to the U.S. The African Diplomatic Corp sent you a letter expressing its gratitude for your continuing support of the African Growth and Opportunity Act. They like the way we are approaching the Nigerian situation but continue to express disappointment over Congress' inaction on Africa. Additionally, some NGOs feel we aren't doing enough to influence Congress and are urging us to put more pressure on in the next Congress.

Racial Profiling in Law Enforcement: African American law enforcement leadership from the four national African American law enforcement organizations participated in a meeting on Friday to discuss racial profiling sponsored by the International Association of Chiefs of Police. The purpose of the meeting was for the national law enforcement community to hold an open discussion on how they will enact a proactive program of traffic enforcement without offending segments of the community and bypassing agencies to claims of bias. All parties involved are interested in reaching a resolution on how to end traffic racial profiling bias. This very sensitive issue remains one of the highest priorities of all the National African American Law Enforcement Organizations and several civil rights organizations.

- **Black Farmers:** Negotiations continue between the Justice Department and black farmers to settle the lawsuit brought by the farmers against the Agriculture Department. The talks are going well, and a settlement is expected within days if all continues to go well.

ASIAN and PACIFIC AMERICAN OUTREACH

- **Affirmative Action:** At the end of October, close to one-fourth of U.C. Berkeley students, and many students at other U.C. campuses, boycotted classes for two days to protest California's ban on affirmative action. While Asian and Pacific American enrollment has increased at Berkeley since the ban was enacted, reports indicate that Asian Pacific Americans turned out in proportion to their enrollment.

BUSINESS OUTREACH

- **Response to your address to the President Export Council:** The business community was pleased with your remarks to the Export Council on Tuesday. Several expressed their belief that your speech, coupled with other recent economic announcements, including the success of the Vice President's speech before the Trans Atlantic Business

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Conference in Charlotte last week, have consistently sent the right signals to American corporations and the international commerce community. Copies of your speech have been forwarded to the several of the corporate offices.

- **Kansas City Chamber of Commerce:** On Friday, Janet Murguia and I met with members of the Kansas City Chamber of Commerce at the White House. The Chamber members visited Washington to meet with officials from the White House, Commerce, USTR, TDA, OPIC and the World Bank to discuss Kansas City's growth and active participation in the international economic arena.
- **Business Roundtable Policy Day:** On Wednesday, the Business Roundtable hosted its annual "Washington Policy Day." The BRT had invited you to meet with its leadership but your schedule made attendance impossible. OPL secured an invitation for Gene Sperling to address the sixty CEOs and executives who attended.
- **APEC Briefing:** On Thursday, OPL hosted an informal briefing in conjunction with the NEC and the NSC for key Washington businesses representatives to preview your upcoming trip to Malaysia, Japan and Korea. Ken Lieberthal and Lael Brainard gave a very substantive overview of the objectives of your trip. Approximately twenty representatives attended, including representation from Ford, General Electric, Bethlehem Steel, EDS, Citigroup, Chrysler and Boeing.

DISABILITY OUTREACH

- **Justin Dart:** On Thursday, November 12, Jonathan Young, OPL's Disability Outreach Coordinator, met with Justin Dart to discuss Mr. Dart's reflections on the last two months and what he think is important for the next two years. As you know, Mr. Dart is profoundly impressed with your leadership and thrilled by the election results.

HISPANIC OUTREACH

- **Meeting with the Hispanic-Serving Health Professions Schools (HSHPS):** OPL met with Elena Rios, the new Executive Director of HSHPS. HSHPS is a non-profit organization that aims to increase the number of Hispanic health care providers in this country. The organization is currently also working on developing outreach strategies for the Children's Health Insurance Program and has been involved in discussions with the Department of Health and Human services in trying to partner with the outreach efforts being developed for early 1999.

JEWISH OUTREACH

- **UJA Federations of North America:** Nearly 3,000 American Jews are traveling to Israel for the General Assembly of the UJA Federations of North America. The

assembly, usually held in America, is being held in Israel this year to mark Israel's 50th anniversary. They have greeted the travel advisory to Israel with a fair amount of trepidation, but no cancellations of the program are currently planned. The conference will last until next Wednesday.

RELIGIOUS OUTREACH

- **Reaction to Child Care and After School Care Initiatives:** The chief lobbyist for Catholic Charities USA did not attend Thursday's new child care and after school care initiatives announcement because of concern that they were made possible by cutting the Social Services Block Grant. She said, however, that she did not make critical comments to the press because she is still "cherishing hopes that the President's budget for 2000 will include an increase in Title XX." One of the most able public interest lobbyists, she is not alone in the faith community in her criticism.

VETERANS OUTREACH

- **Veterans Day:** The White House breakfast went very well, with over 230 people in attendance. Nine national veterans group commanders witnessed the signing of H.R.4110 after the breakfast. The ceremony at Arlington also was well attended, and the veterans enjoyed your remarks. Your remarks were sent to each of our constituency groups. We also sent information on women in the military to over 500 women's groups, including 25 military women.

The French Embassy hosted a reception after the ceremony to present two World War I veterans with the French Legion of Honor. The French Government is honoring all WWI veterans who served in France with this medal. There are approximately 1,500 veterans left who served during that period.

WOMEN'S OFFICE OUTREACH

- **National Committee for Pay Equity:** Mrs. Gore was very warmly received at a fundraiser for the National Committee for Pay Equity on Thursday. She discussed, among other things, her trip to Honduras and Nicaragua. Her remarks inspired the group to donate the proceeds of the luncheon to the relief effort in Central America.
- **Older Women's League (OWL) National Conference:** OPL and the Women's Office coordinated Administration participation at OWL's national conference on Friday and Saturday. Jeannette Takumura, Assistant Secretary for Aging at HHS, was the keynote speaker at the opening reception. Two appointees, Rebecca Blank (CEA) and Judy Schub (Labor) hosted "At the Table" discussions on Social Security and pensions with groups of senior women from around the country. Kathy King (HCFA) discussed Medicare on a similar panel.

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THE WHITE HOUSE
WASHINGTON

November 13, 1998

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MEMORANDUM FOR THE PRESIDENT

FROM: ANN LEWIS AND STACIE SPECTOR
SUBJECT: COMMUNICATIONS WEEKLY REPORT

Central American Relief Efforts

Following up on your radio address with Mrs. Gore, we have been working closely to inform the public of our abundant relief efforts in Central America. The first component of this effort will be a fact sheet in English and Spanish outlining the Administration's efforts to send relief to Central America.

Cabinet Affairs is coordinating the gathering of information from domestic agencies to this effect, while NSC is doing the same for our international agencies. The fact sheet will be distributed throughout our networks.

The White House web site will feature information with regular updates and we will publicize the availability of this information extensively.

In addition, we are considering numerous other amplification efforts, including: radio actualities, additional briefings for constituent groups and/or press, ongoing strategic use of speciality press, communicating with volunteer organizations and their networks, and a White House event to highlight the successful way in which so many people and entities have come together to help.

Amplification

For your message events we worked with outreach offices to ensure that the message got to our key networks.

- **21st Century Community Learning Centers Grants.** Drafted sample press release and sample op-ed to distribute to mayors and school superintendents whose cities and school districts received grants, to the Department of Education's 10 regional administrators, and to key constituency groups in order to encourage them to write their own press releases for local media and op-eds for their local newspapers.

Department of Education drafted an op-ed for the Vice President to be pitched to national papers in markets that will be receiving grants (i.e., *The Chicago Tribune*). In addition, we distributed a sample press release to the 183 grant recipients to encourage them to draft their own press releases for local media, and asked local community leaders to place op-eds about the importance of after-school programs in their local newspapers.

- **Signing for Crime Bills.** Drafted sample press release to distribute to 10 Attorneys General [Joe Curran (D-MD), Tom Miller (D-IA), Richard Blumenthal (D-CT), Rob Butterworth (D-FL), Grant Woods (R-AZ), Mike Moore (D-MS) and Christine Gregoire (WA-D)] who will use to write own releases and send them out to their local media. Contacted Press Secretaries of NAPO and FOP to encourage them to write op-eds for national papers like the *LA Times* and the *New York Times*. Contacted Press Secretaries of members of Congress who attended event [Sen. Biden (D-DE), Rep. Stupak (D-MI) and Rep. Peter King (R-NY)] to encourage them to write op-eds for their local papers.

Message Calendar During Your Trip

- Monday, the Vice President will hold a Social Security event, and the First Lady begins a six-day trip through Central America, where she will visit an El Salvador school and tour a center that provides counseling to women.
- Tuesday, the First Lady will deliver the opening address to a conference on domestic violence in El Salvador.
- Wednesday, the Vice President will hold an event on high tech education, the e-rate, and announce the first round of technology literacy grants. The First Lady will be in Guatemala where she will address the Legislative Assembly.
- Thursday, the Vice President addresses a DLC breakfast, and attend a National Smoke-Out Day with members of the WNBA Washington Mystics. The First Lady will continue her visit to Guatemala where she will tour a health center and participate in a discussion on education reform.
- Friday, the Vice President holds a Welfare-to-Work event at the Department of Labor where he will announce the release of 75 welfare-to-work grants and hold a roundtable discussion. The First Lady will travel to the Dominican Republic where she will participate in a civil society discussion and visit a family planning program to announce her support for new health initiatives.

Web Site

- **21st Century Community Learning Centers Grants.** The web team created a web page on the White House web site that displays the map of the United States with the 183 communities receiving grants highlighted. Web users can click onto each state to find out who the grant recipients are, information about their after-school programs and their estimated first year funding. Talking points and your remarks are also posted with links to the 21st Century Community Learning Centers web page.
- **Asia.** Building on the popularity of your China and Africa trip web sites, the Asia trip web site will provide users with ability to follow along with your trip, while learning about the cities you are visiting.

Speaking Engagements

- **Women's History.** Thursday and Friday, Ann chaired the fourth meeting of your Commission on the Celebration of Women in American History here in Washington.

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THE WHITE HOUSE

WASHINGTON

November 13, 1998

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MEMORANDUM FOR THE PRESIDENT

FROM: LARRY STEIN *js*
SUBJECT: LEGISLATIVE WEEKLY REPORT

House of Representatives

The House stands adjourned *Sine Die* until Wednesday, January 6 at 12 pm. The schedule for the 106th session of the House has not been announced, pending the election of the Speaker of the House.

House Organizational Schedule: Orientation sessions for newly elected members of Congress began on November 13 and will continue through this weekend. The Democratic Caucus will hold its organizational session Monday through Wednesday of next week, electing leadership on Monday. The Republican Conference will begin its organizational session on Wednesday, November 18, and elect its leadership.

Congressional Outreach: Efforts are underway to coordinate several activities to foster relationships with the freshman House members of the 106th Congress. As you know, on Friday, November 13, the forty freshman members of the 106th Congress were invited to attend a reception in the residence of the White House to meet with you and your senior staff. On Sunday, November 15, freshman members of Congress and their families will be given a tour of the White House. On Wednesday morning, November 18, the freshman Democrats are scheduled to meet with the Vice President and the Chief of Staff. Lastly, the Administration is taking the appropriate steps to develop a working relationship with the new House Republican leadership.

United States Senate

- The Senate stands in adjournment *sine die* until Wednesday, January 6, 1998 at 12 pm.
- **Senate Organizational Schedule:** Orientation for new Senators will occur December 1, 2, and 3. On December 1st, the agenda includes the Leadership elections, policy lunches, a Senate Chamber walk thru with Senator Byrd (D-WV), and a dinner at the Supreme Court with the President of the Senate, Vice President Gore. On December 2nd, there will be morning briefings on ethics, accountability, and office set-up. Leadership briefings will occur that afternoon. On December 3rd, the Congressional Research Service will present an all-day briefing for new Members. We are in the process of working with Senator Daschle's office to arrange some time for you with Senate Democrats.

- **106th Legislative Session:** Senators will be sworn into Congress on Wednesday, January 6, 1998. The Senate is tentatively scheduled to reconvene on either Monday, January 18th or Tuesday, January 19th for the 106th Legislative Session.

Joint Congressional Events

- **Foreign Travel:** Accompanying you to your APEC meeting will be Senator Max Baucus (D-MT), Representative Neil Abercrombie (D-HI), and Representative Robert Underwood (D-GU).
- **Kyoto Protocol - Climate Change Conference in Buenos Aires:** As you know, the Acting U.N. Ambassador Peter Burleigh signed the Kyoto Protocol on behalf of the United States on Thursday, November 12, 1998. This signing drew both strong condemnation as well as strong support from the Congressional observers in attendance, including Senators Hagel (R-NE), John Kerry (D-MA), Lieberman (D-CT) and Representatives Sensenbrenner (R-WI), Barton (R-TX), Calvert (R-CA), Emerson (R-MO), Knollenberg (R-MI), Kucinich (D-OH), and DeFazio (D-OR) (Note: Senator Enzi (R-WY) and Senator Bob Kerrey (D-NE) attended discussions last week, but have since left). Senator Hagel led the critics and strongly denounced the signing of the Kyoto Protocol as a direct contravention of the Byrd-Hagel Resolution passed in the Senate last year with a margin of 95-0. However, Senators Kerry (D-MA) and Lieberman, and Representatives Kucinich and DeFazio strongly support this move by the United States. Meetings are currently being held for further discussion and will continue late into this evening.

cc: The Vice President
John Podesta
Maria Echaveste
Steve Ricchetti
Doug Sosnik

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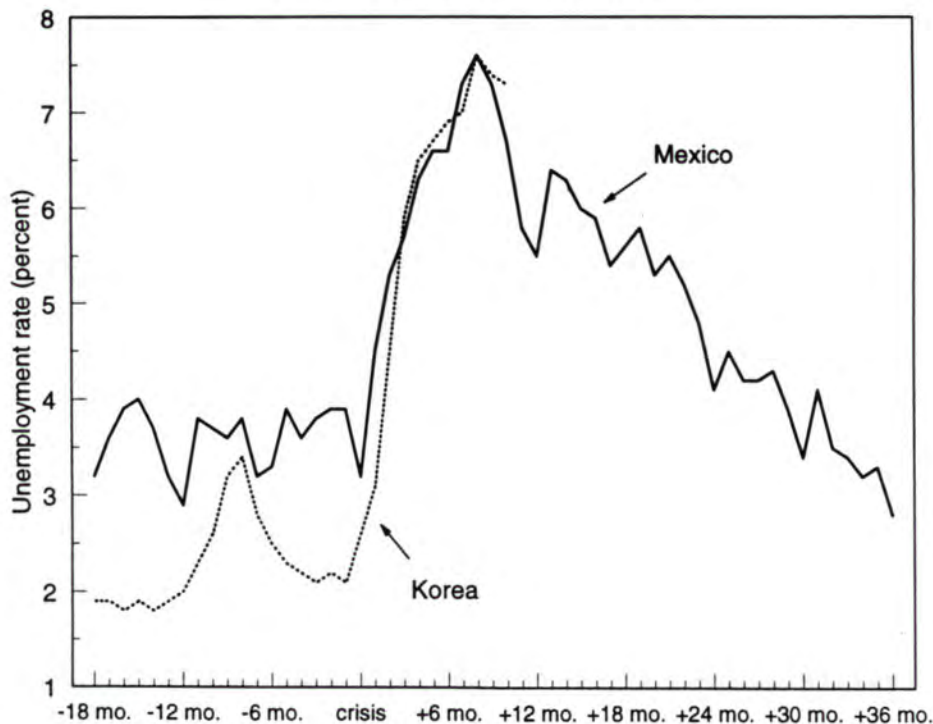
WEEKLY ECONOMIC BRIEFING OF THE PRESIDENT OF THE UNITED STATES

Prepared by the Council of Economic Advisers
with the assistance of the Office of the Vice President

November 13, 1998

CHART OF THE WEEK

A Turnaround in Korea?



Korean unemployment appears to have peaked 8 months after the country was hit by the East Asian crisis. Remarkably, unemployment in Mexico also peaked 8 months after it was hit by the peso crisis of December 1994. The correspondence in timing (and level) is to some degree coincidental, and Korea's economic future is uncertain. Nevertheless, the pattern is consistent with other evidence that an economic recovery may have begun in Korea, much as it did in Mexico in 1995.

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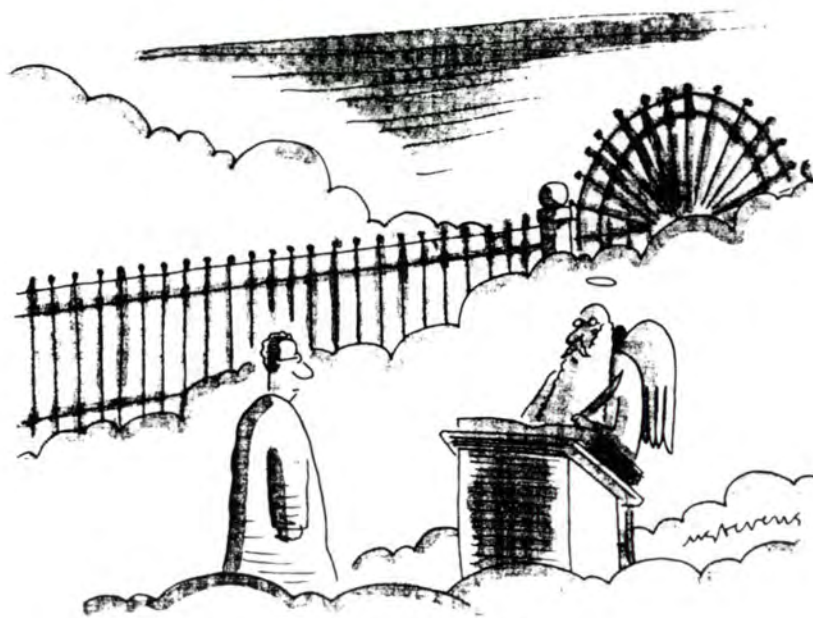
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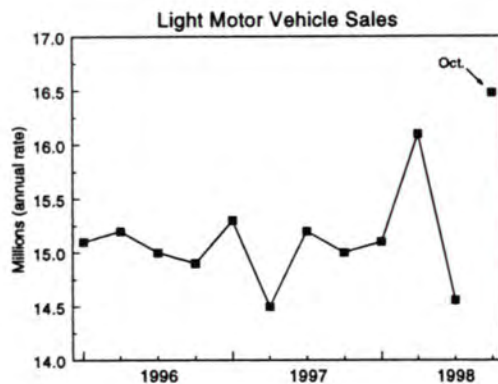


MACROECONOMIC UPDATE

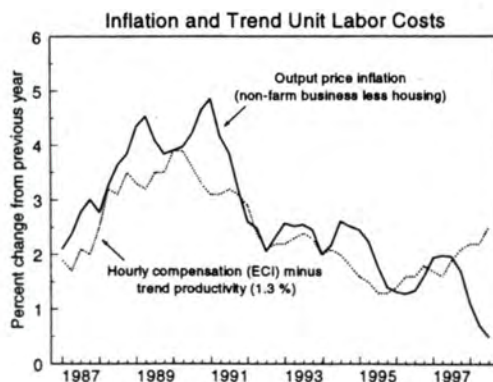
Solid Performance Continues into the Fourth Quarter

Real GDP grew at a 3¼ percent pace in the third quarter, and early indications are that growth in the fourth quarter will be similar.

Production and sales. Production-worker hours jumped in October to well above their third-quarter average, and sales of light motor vehicles rebounded (see upper chart). The strength in motor vehicle sales partly reflected generous price incentives, but automakers responded by increasing fourth-quarter assembly schedules. The planned increase in motor vehicle production will add more than a percentage point to fourth-quarter GDP growth. Although consumer confidence has declined from earlier lofty levels, the latest retail sales figures point to continued growth in non-auto consumer expenditures as well.



Prices and wages. Prices in the nonfarm business sector rose less than 1 percent over the past year. At the same time, hourly compensation in private industry, as measured by the employment cost index,



rose 3.8 percent. This gap between prices and wages is unusually large. Until recently, trend unit labor costs (defined as hourly compensation less a 1.3 percent productivity trend) have tended to match the rate of increase of business prices (see lower chart). Part of the reason wage increases have not put more pressure on prices is that productivity has grown faster than its longer-term trend over the past year. In addition, profits as a share

of GDP are very high by historical standards and some wage increases have been offset by reduced profits. Over time, however, continued strong wage growth without inflation will require even faster productivity growth or a further erosion of profits.

*VP
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EYES ONLY

SPECIAL ANALYSIS

Genetically Engineered Foods and Consumer Choice

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Genetically engineered foods are currently being produced and eaten in the United States. Nevertheless, there is little empirical evidence that genetically engineered foods have been widely accepted by Americans.

What is genetic engineering? Genetic engineering is the biochemical manipulation of genes or DNA. It is just one type of biotechnology, though the two terms are often used interchangeably. Examples of genetically engineered crops include Flav'r Sav'r tomatoes and New Leaf Superior potatoes. Other genetically engineered products include chymosin for cheese making and bovine somatotropin (rBST) for promoting milk production. Foods such as "broccoflower" are not genetically engineered, though they do involve hybridization, a form of biotechnology.

American attitudes. A summary of the results of a number of consumer surveys regarding attitudes toward one type of genetic engineering (rBST) found that 57 percent of the survey respondents were negatively inclined toward its use. Ten percent stated that they would stop purchasing milk if rBST were introduced. An auction study in which participants used real money revealed similar results: 47 percent of the participants were willing to pay something to move from rBST milk to non-rBST milk, and 15 percent were willing to pay a substantial amount. In other studies, an overwhelming majority of adults indicated a desire to be informed about whether genetic engineering had been used in producing their food.

To label, or not to label? These survey results suggest that at least some consumers would value information about whether the food they buy is genetically engineered. Mandatory labeling of genetically engineered foods for safety reasons is considered unnecessary in the United States because the regulatory process requires that only foods that are safe for consumption be made available to consumers. However, voluntary labeling of non-engineered foods could increase consumer welfare. Many labels cater to specific consumer concerns. Examples include "kosher" or "organic" labels, or labels that provide information about "dolphin-safe nets" or "no animal testing." The advantage of voluntary labeling is that consumers who place a value on knowing that their food is non-engineered would pay the premium for the labeling (as well as the extra costs associated with the production process). Problems with the voluntary labeling of non-engineered foods arise in assuring the accuracy of the claim.

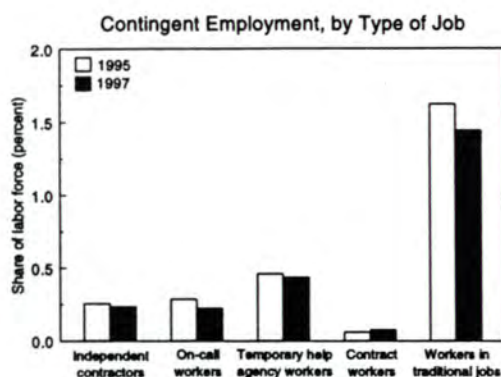
A first step? The first step toward establishing a voluntary "not genetically engineered" label may already have been taken (though perhaps inadvertently). The Department of Agriculture has announced that its revised proposed rule on organic standards will not allow foods produced with genetic engineering to bear the organic label. If this proposed rule is adopted, the voluntary organic label will thus also signify non-engineered food.

SPECIAL ANALYSIS

No Trend in Contingent Work

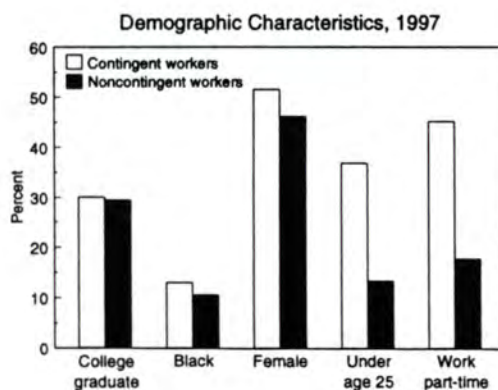
Are employment patterns shifting toward more temporary work arrangements that might result in lower paying and less stable jobs? No, at least according to the most recent data on contingent employment.

A small share of total employment. Contingent employment is defined by the Bureau of Labor Statistics as employment without an implicit or explicit long-term contract. The BLS has conducted two surveys of such employment. The first, in



1995, found that the share of contingent employment was relatively small. The second, in 1997, found that it was not increasing. About 2.4 percent of the labor force (3 million workers) was in contingent work in February 1997, a slightly smaller share than in February 1995. Forty percent of contingent workers in 1997 were in alternative work arrangements, including independent contractors, on-call workers, temporary

help agency workers, and workers provided by contract firms. None of these categories of contingent workers comprised more than 0.5 percent of the labor force (see upper chart). A majority of contingent workers were in traditional jobs.



A diverse set of workers. Contingent and noncontingent workers were strikingly similar in terms of educational attainment and race (see lower chart). Also, contingent workers were employed in a wide variety of occupations, belying the view that all contingent jobs are low-skilled. The most fundamental difference was age: persons under age 25 made up 37 percent of contingent workers but only 13 percent of noncontingent workers.

Hours and earnings. Forty-five percent of contingent workers were employed part-time, compared with only 18 percent of noncontingent workers. Contingent workers also earned less, with median weekly earnings that were only 69 percent as large as those of noncontingent workers—though differences in age and hours worked appear to account for much of the earnings gap. Regardless of age, however, contingent workers were less likely to be offered health insurance or a pension plan by their employers.

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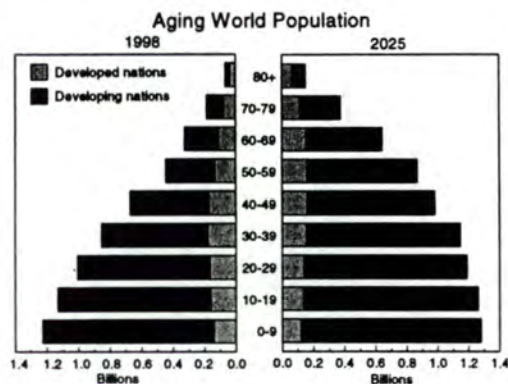
A matter of choice? The majority of contingent workers would have preferred noncontingent jobs, though more than one-third preferred their current arrangements. More specific data from 1995 show that half of contingent workers accepted their contingent jobs for personal reasons such as wanting a flexible work schedule or being in school or training. Thus, even though contingent work is not a preferred choice for many people, it may allow them to balance their work and their non-labor-market activities.

ARTICLE

Population Aging: A Global Phenomenon

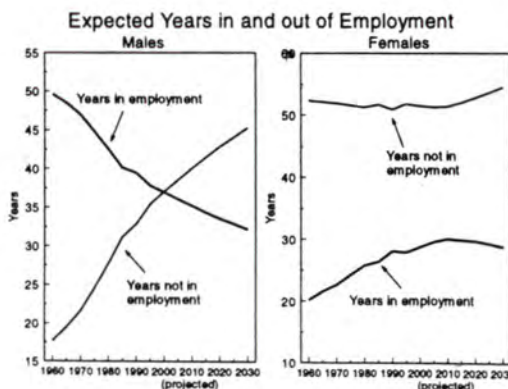
Just as vast improvements in health and longevity characterized the early 1900s, declining fertility rates have shaped the world's populations during the latter half of the century. Moving into the 21st century, the confluence of these two global trends will make population aging a dominant demographic phenomenon—and a major challenge to policymakers—around the world.

Aging naturally. Worldwide population aging (the rising share of older people) is a natural result of better health and nutrition and of lower fertility and infant mortality rates. While life expectancies have grown, fertility rates in some developing nations have fallen as much as 50 percent in the past 30 years. By 1996, 28 developing nations including China had rates below the 2.1 live births per woman required for population replacement.



Middle-aged bulge. The result of these trends in life expectancy and fertility is a shift toward the older ages across the world's populations. Over the next 30 years this will show up as a bulge in the number of middle-aged men and women (see upper chart). The developed nations are aging sooner, due to earlier changes in longevity and fertility, but the elderly population will grow faster in the developing world.

Lives of leisure? One challenge developed societies will face is the changing work and retirement choices of the elderly. An OECD study of 26 member countries predicts that, in the absence of policy changes, the number of working years in a man's lifetime will be surpassed by years not working (see lower chart). For women,



the number of working years is projected to level out. These changes in part reflect the strong incentives to retire in many European countries. For example, between 1960 and 1995, the average age of male retirement fell more than 6 years in Spain, the Netherlands, and Finland. In the United States, by contrast, where more of the elderly have been choosing part-time or part-year work rather than abrupt retirement, the decline was only 2.9 years.

Who will care? Another global challenge will be caring for the rapidly growing “oldest old” (those aged 80 and above), who use disproportionate shares of health and long-term care. In many cases, they will be cared for by adult children themselves nearing retirement age, or even by an elderly spouse. (A 1992 survey found that 22 percent of those aged 75 and older in the United States were givers of care, typically to spouses in poor health.) Between today and 2025, the parent support ratio (the number of oldest old per 100 persons aged 50 to 64) will rise from 19 to 27 in developed countries as a group and to 42 in Japan. The relative shortage of available kin will hit East Asia especially hard, due to cultural expectations of filial support and the traditional absence of state involvement. In South Korea, for example, as the parent support ratio doubles from 7 to 15, the share of elderly widows with no surviving son will also double from 15 to 30 percent.

Conclusion. Never before have so many people in so many societies lived for so long. As much as population aging is a blessing of increased longevity and survival in all age groups, it also represents a fundamental shift in social structure that may affect labor markets, family structures, and even the social contract among generations. Many societies will face the difficult tasks of overturning tradition and redefining the roles of family and government in caring for their elders.

11-16-98

EYES ONLY

BUSINESS, CONSUMER, AND REGIONAL ROUNDUP

Employee Absenteeism Jumps to 7-Year High. ~~American workers has reached its highest level in~~ 7 years, according to a new survey of human resources executives. The overall average unscheduled absenteeism rate (defined as total paid sick hours divided by total paid productive hours) was estimated to be 2.9 percent this year, up from 2.3 percent last year. For the first time, "family issues" replaced "personal illness" as the most frequently cited reason for unscheduled absences, with "personal needs" third. Although employers acknowledged that more flexible time-off programs had a positive effect in reducing last-minute no-shows by employees, these programs have not been widely instituted. Paid time-off programs, which provide employees with a bank of hours to be used for various purposes instead of traditional separate accounts for sick, vacation and personal time, were seen as the most effective means for controlling unscheduled absences, but only 25 percent of organizations surveyed reported having implemented such a program, most within the last 2 years.

New Study Examines Non-Financial Corporations' Use of Derivatives. About half of the non-financial corporations surveyed in a recent study used derivative (forwards, futures, options, or swaps). Although the proportion of companies using derivatives showed little trend between 1994 and 1998, companies that use derivatives appeared to be increasing their intensity of use. More than 80 percent of the large firms surveyed used derivatives, compared with just 12 percent of the small firms. By industry, primary product firms were the most likely users (68 percent). This is probably not surprising in light of the fact that futures exchanges were originally established to help manage commodity risks. Use of derivatives was less prevalent in manufacturing (48 percent) and services (42 percent). In those industries, use was most likely driven by the growing need to manage foreign exchange exposure, according to the report. In fact, foreign exchange exposure was the risk most commonly managed with derivatives, and 83 percent of all firms that used derivatives reported foreign exchange risk management as one of their uses. At the time of the survey, in early 1998, 27 percent of the firms ranked market risk (defined as unforeseen changes in the market value of derivative positions) as their most serious concern.

Front Office Millionaires. CEO total compensation packages of more than \$1 million were quite prevalent in 1997, according to the Conference Board's latest annual survey of executive compensation. The survey, which covered 1,711 companies in 14 major industries, looked at both current compensation (salary plus bonus) and total compensation (which includes the annual value of stock options and other long-term incentives). Median CEO total compensation was more than \$1 million in five industries: insurance, communications, telecommunications, energy, and financial services. Median CEO total compensation was a mere \$600,000 or so in construction and retail trade.

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INTERNATIONAL ROUNDUP

Japanese Interest Rates: Less Than Zero. Last week some Japanese nominal interest rates were negative, implying that lenders received fewer yen back than they lent. This highly unusual situation is perhaps the most dramatic reflection yet of concern about the health of Japanese banks. Analysts note that Japanese banks seeking to increase their year-end overseas dollar assets have faced increasingly unfavorable terms on direct dollar loans. As a result, the banks have obtained local yen financing and then exchanged yen deposits with foreign banks for dollars of comparable maturity (in transactions called "currency swaps"). Foreign banks, however, face few attractive alternatives for investing their yen deposits. Concern over the health of the banking sector makes it undesirable to hold yen deposits with Japanese banks, and withdrawing massive amounts in cash is not a practical option.

As a result, many have turned to short-term Japanese treasuries, and prices of 6-month bills rose so high last week (relative to their par redemption value) that yields dipped into negative territory. Accordingly, foreign banks have begun to offer even more negative rates to the Japanese banks.

Fire Sales for Asian Assets? In what may be the world's biggest-ever 1-day asset sale, Thailand announced that it will auction off more than \$10 billion of loans seized from bankrupt finance companies last year. This was good news for those worried that the sale would be postponed, thwarting progress on corporate restructuring. But some Thai bankers and politicians would still prefer that the sale be delayed, because they are hopeful of an economic recovery and a rebound in asset prices. Meanwhile, Indonesian banks were given a reprieve from a possible fire sale when the government announced that it would allow central bank loans made earlier this year to be paid back over a multi-year period. President Habibie had pushed for complete cash reimbursement within a year, but domestic and IMF concerns over political and economic repercussions led to the adoption of a more flexible repayment schedule.

Good News from Canada, but Doubts Linger. Canada reported an unemployment rate of 8.1 percent in October, its lowest level in 8 years. This better-than-expected report followed an earlier announcement that Canadian GDP had risen 0.7 percent in August after 4 months of decline—though some analysts worried that the statistics reflected a rebound from the GM strike rather than more meaningful improvements.

UN Reports Continued Growth in FDI. Global foreign direct investment (FDI) continued to grow in 1997 despite the emergence of the Asian crisis, according to the 1998 *World Investment Report* from the United Nations. Inflows increased 19 percent to reach a new record of \$400 billion. The sum of inward and outward FDI stocks is now equal to 21 percent of global GDP; foreign affiliate exports are one-third of world exports; and the production of foreign affiliates accounts for 7 percent of world GDP. Liberalization of FDI policies in developing countries does not seem to have been impeded by the Asian crisis, according to the report. The proliferation of bilateral treaties and the creation of new regional markets and investment areas have contributed to this liberalization.

RELEASES THIS WEEK

Producer Price Index

****Embargoed until 8:30 a.m., Friday, November 13, 1998****

The producer price index for finished goods increased 0.2 percent in October. Excluding food and energy, producer prices increased 0.1 percent.

Retail Sales

****Embargoed until 8:30 a.m., Friday, November 13, 1998****

Advance estimates show that retail sales increased 1.0 percent in October following an increase of 0.3 percent in September. Excluding sales in the automotive group, retail sales rose 0.5 percent following an increase of 0.1 percent.

Productivity

Nonfarm business productivity rose 2.3 percent at an annual rate in the third quarter. Manufacturing productivity rose 3.7 percent.

MAJOR RELEASES NEXT WEEK

Industrial Production and Capacity Utilization (Monday)

Consumer Prices (Tuesday)

U.S. International Trade in Goods and Services (Wednesday)

Housing Starts (Thursday)

U.S. ECONOMIC STATISTICS

	1970- 1993	1997	1998:1	1998:2	1998:3
Percent growth (annual rate)					
Real GDP (chain-type)	2.7	3.8	5.5	1.8	3.3
GDP chain-type price index	5.4	1.7	0.9	0.9	0.8
<u>Nonfarm business (NFB) sector:</u>					
Productivity (chain-type)	1.5	1.7	3.5	0.3	2.3
Real compensation per hour:					
Using CPI	0.6	1.9	4.1	2.0	2.2
Using NFB deflator	1.3	2.0	4.3	3.4	3.4
Shares of Nominal GDP (percent)					
Business fixed investment	10.9	10.6	11.0	11.2	10.9
Residential investment	4.5	4.0	4.2	4.3	4.4
Exports	8.2	11.9	11.6	11.3	11.0
Imports	9.2	13.1	13.1	13.1	13.0
Personal saving	5.2	1.5	0.9	0.3	0.1
Federal surplus	-2.7	-0.3	0.7	0.9	N.A.
	1970- 1993	1997	August 1998	September 1998	October 1998
Unemployment Rate (percent)	6.7**	4.9**	4.5	4.6	4.6
Payroll employment (thousands)					
increase per month			322	157	116
increase since Jan. 1993					16962
Inflation (percent per period)					
CPI	5.8	1.7	0.2	0.0	N.A.
PPI-Finished goods	5.0	-1.2	-0.4	0.3	0.2

**Figures beginning 1994 are not comparable with earlier data.

New or revised data in **boldface**.

PPI data **embargoed until 8:30 a.m., Friday, November 13, 1998.**

FINANCIAL STATISTICS

	1996	1997	September 1998	October 1998	Nov. 12, 1998
Dow-Jones Industrial Average	5743	7441	7910	8164	8830
Interest Rates (percent per annum)					
3-month T-bill	5.01	5.06	4.61	3.96	4.37
10-year T-bond	6.44	6.35	4.81	4.53	4.77
Mortgage rate, 30-year fixed	7.80	7.60	6.72	6.71	6.93
Prime rate	8.27	8.44	8.49	8.12	8.00

INTERNATIONAL STATISTICS

Exchange Rates	Current level November 12, 1998	Percent Change from Week ago	Year ago
Deutschemark-Dollar	1.693	2.1	-1.8
Yen-Dollar	122.8	4.5	-2.6
Multilateral \$ (Mar. 1973=100)	96.24	2.4	0.2

International Comparisons ^{1/}	Real GDP growth (percent change last 4 quarters)	Unemployment rate (percent)	CPI inflation (percent change in index last 12 months)
United States	3.4 (Q3)	4.6 (Oct)	1.5 (Sept)
Canada	2.9 (Q2)	8.3 (Sept)	0.9 (Sept)
Japan	-1.8 (Q2)	4.4 (Sept)	-0.2 (Sept)
France	3.1 (Q2)	11.6 (Sept)	0.6 (Sept)
Germany	2.5 (Q2)	^{2/} 7.4 (Aug)	0.8 (Sept)
Italy	1.1 (Q2)	12.4 (Jul)	1.8 (Sept)
United Kingdom	2.5 (Q3)	6.3 (Jul)	3.2 (Sept)

1/ For unemployment data, rates approximating U.S. concepts as calculated by the U.S. Department of Labor, Bureau of Labor Statistics.

2/ Rate for former West Germany. Using OECD standardized unemployment data, the unemployment rate for unified Germany for August 1998 is 9.6 percent.

THE WHITE HOUSE
WASHINGTON

Date 11/16

To: Don Burkhart

From: The Staff Secretary

This came in via
Podesta's office. Is a
message appropriate under our
guidelines? Let me know.

Phil

[Click here and type address]

facsimile transmittal

To: Ms. Helen Thomas Fax: 2-2/898-8027

From: Samar Akrouk Date: 11/16/98

Re: Ana alarabi festival Pages: 2

CC: Turki Al Shabanah

☒ Urgent

☐ For Review

☐ Please Comment

☐ Please Reply

☐ Please Recycle

Ms. Thomas,

As per Turki Al Shabanah's request, please see attached the letter to President Clinton regarding a letter supporting the festival. We would greatly appreciate your assistance with this matter.

Once again, thank you for all your help. Should you have any questions, please do not hesitate to contact me at (202) 898-8218.

Thank you,

~~CONFIDENTIAL~~

Nov. 16, 1998

'98 NOV 16 PM 1:10

Dear John,

Also, an arm of UPI
is seeking a letter of
congratulations from the president
regarding the week-long
festival to promote Arab-American
friendship.

Something got lost in
the translation and thus letter.
Delay was the result. I know
I am asking a lot in view of
the president's trip Wednesday.
A paragraph would do, to be
published in a booklet.
If further information
is needed, please call.

Sincerely,

Helen Thomas

مهرجان أنا العربي

ana alarabi
festival

November 4, 1998

The Honorable William Jefferson Clinton
The White House
Washington, DC

Dear President Clinton,

I am sending this letter in reference to the second annual *ana alarabi festival and conference* which is scheduled to be held December 3-6, 1998 at the Ronald Reagan Building. We would greatly appreciate your participation in this festival and conference. In particular, we would like to request a letter and video supporting this years' *ana alarabi festival and conference*.

The *ana alarabi festival*, a not-for-profit organization, is a cultural celebrations started last year by *ana* Television Network, Inc. to promote rising Arab-American talents in the arts and humanities. The Festival is the culmination of our nation-wide talent search and brings the winners from all of the categories (song, essay, poem, psa, fashion, and video) to perform and be awarded. The event will be televised nationwide via *ana* as well.

It is our goal to promote young Arab-Americans as well as to celebrate Arabic heritage. We accomplish this through a series of events that are open to the public and free of cost. This year's events include town hall meetings, poetry recital, folklore fashion, music and dance show, and bazaar. Saturday evening we are hosting a Gala Awards Presentation, honoring outstanding Arab-Americans, and Musical Concert, featuring artists from across the United States and the Arab world.

Your address to the Arab-American community earlier this year meant so much to all of us and gave us a feeling of inclusion never reached before in the political realm, now we would like to highlight our culture. We trust we can rely on you to lend us your support for this celebration of Arabic heritage

Sincerely,

Turki Al Shabanah
President



أنا

مهرجان
أنا
العربي

ana alarabi festival



*ana alarabi
festival*

PRESS RELEASE

For Immediate Release
November 6, 1998

Contact: Dawn Elder
(202) 898-3143

2ND ANNUAL ARAB-AMERICAN FESTIVAL SET TO BEGIN NOV. 30 IN WASHINGTON, D.C.

WASHINGTON, D.C. -- The Second Annual *ana alarabi festival*, a national celebration of the Arab cultural heritage, is set to begin on November 30. The theme for this week-long landmark event is "Discovering What Brings Us Together."

"*ana alarabi*" – which means "I am the Arab" – will celebrate the best and brightest among the four-million-strong Arab-American community in the United States, highlighting its rich heritage, its contributions to society, and its role as part of the American cultural mosaic.

From Nov. 30 to Dec. 6, highly-acclaimed professionals, educators and celebrity entertainers from around the United States and the Arab world will converge in Washington, D.C. at the International Trade Center to share their knowledge and talent with approximately 10,000 participants.

The *festival's* events include poetry readings, cultural showcases, fashion shows, panel discussions, a health care seminar, a marketplace exposition, talent competitions, live entertainment, and much more.

Capturing the *festival's* spirit, the Arab-American Music, Arts and Literary (AMAL) awards will be presented to outstanding Arab-Americans who have contributed to promoting their cultural heritage and inspired others to excel. This year's honorees include Hollywood Producer Moustapha Akkad, whose many films include the Oscar-winning "Lion of the Desert"; internationally-recognized fashion designer Joseph Abboud; and renowned painter Mara Abboud, whose works hang in the World Trade Center and many private collections.

The *festival* will also introduce the *ana alarabi* Children's Choral, which brings together Arab-American children between the ages of seven and sixteen to sing in both Arabic and English, this group of children will represent the Arab-American community at cultural events throughout the country.

The *festival*, which will be broadcast both in the United States and internationally through ANA and the Middle East Broadcasting Center, is endorsed by over 200 Arab businesses, all the Arab embassies, and Arab professionals from the United States and abroad.

*Please contact the ana alarabi festival Foundation to request
a full schedule of events and regular updates.*

Handwritten signature

TOM LANTOS
CALIFORNIA

WASHINGTON OFFICE
2217 RAYBURN BUILDING
WASHINGTON, D.C. 20515
(202) 225-3521

DISTRICT OFFICE
400 EL CAMINO REAL
SUITE 200
SAN MATEO, CA 94402
(415) 340-1080
IN SAN FRANCISCO:
(415) 399-5257



Congress of the United States
House of Representatives
Washington, D.C. 20515

INTERNATIONAL RELATIONS COMMITTEE

Ranking Member,
Subcommittee on International Operations
and Human Rights
Supplemental on International Economic Policy
and Trade

GOVERNMENT REFORM AND OVERSIGHT COMMITTEE

Subcommittee on Human Resources
Subcommittee on National Security,
International Affairs, and Criminal Justice

Confidential, Permanent United States
Congressional Delegation to the
European Parliament

Member, United States
Congressional Delegation to the
North Atlantic Assembly

Chairman, Congressional
Human Rights Caucus

NOV 16 PM6:40

November 16, 1998

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

Dear Mr. President,

I write to urge you to appoint Rabbi Arthur Schneier, one of America's greatest champions of human rights, to serve as the Chairman of the Commission on International Religious Freedom. Few Americans have dedicated themselves as unselfishly or with as great a commitment to religious liberty and to the core values of our nation as has Rabbi Schneier. He is a man of principle, courage, and integrity. His activism has left a lasting impression on the lives of millions of oppressed peoples all across the globe.

Rabbi Schneier's passion for human rights and religious freedom is rooted in a childhood of danger and difficulty. Born in Vienna sixty-eight years ago, he and his mother fled Austria for Budapest, Hungary, in the wake of the Nazi *Anschluss* and the mounting danger to Vienna's Jewish population. This kept him out of peril until the German occupation of Hungary in 1944, which resulted in eight months of omnipresent threats to Schneier's life. Only a teenager, Schneier managed to survive by dint of luck and cleverness, dodging Nazi round-ups and hiding in haystacks. When Budapest was liberated by the Red Army in January 1945, he was one of only a small fraction of Hungary's pre-war Jewish community to remain alive. Schneier made his way back to Vienna and then, in 1947, emigrated to the United States. But while he left Europe, he did not run away from the legacy of his youth. On the contrary, it emboldened Schneier to ensure that such a monumental tragedy as the Holocaust should never happen again.

Schneier graduated from Yeshiva University, and was ordained as a rabbi in 1955. In 1962, he became the spiritual leader of the Park East Synagogue in New York City, which he helped to build into one of this nation's most respected religious institutions.

While his role as a senior religious leader offered a host of important responsibilities and challenges, Rabbi Schneier felt an even deeper sense of obligation to the welfare of minorities and

11-16-98

By Affairs
To Bushchardt for reply?
Yes ☒ No ☐

Coordinate with NSC?
Yes ☒ No ☐

and

and

other persecuted peoples. "As a survivor of the Holocaust," he said years later, "I made a vow not to remain silent in the face of injustice, to develop my life in pursuit of peace and tolerance, and to advance the principle of 'live and let live' for all of God's children." In 1965, Schneier founded the Appeal of Conscience Foundation, an organization made up of leaders of the Roman Catholic, Protestant, Islamic, Greek Orthodox, Armenian Orthodox, and Jewish faiths devoted to ensuring religious freedom and human rights. The Foundation, of which Rabbi Schneier serves as President, has stood resolutely at the forefront of the international fight for civil liberties and social justice for the past thirty-three years.

In the mid-1960's, many years before the *refusnik* cause captured the public's attention, Rabbi Schneier emerged as a champion of oppressed Soviet and Eastern European Jews. For decades, Schneier worked tirelessly to galvanize support from around the world to pressure the Soviet leadership to allow the Jewish community the freedom to practice their faith, as well as the right to emigrate to Israel and the United States. He worked with religious leaders of all persuasions in a plethora of nations, sent thousands of religious books and articles to his isolated co-religionists, obtained permission and funding for the training of Jewish leaders, aided the construction of synagogues and religious facilities, met with Presidents and Premiers, and led successful efforts to remove unjust restrictions against Soviet Jews. The eventual liberation of millions of Soviet Jews can be traced in large part to the determination and resourcefulness of Rabbi Schneier.

The noble acts of Rabbi Schneier and the Appeal of Conscience Foundation extend well beyond the former Soviet Bloc. From the earliest days after the end of the Cultural Revolution, Schneier has traveled to China to enlighten the government and people of the world's largest nation about human rights and religious freedom. During his first visit in 1981, he educated leaders about the Holocaust and Israel. On a subsequent trip in 1986, he lectured on these topics at the World Academy of Social Sciences in Beijing. In recent years, he has expanded these meaningful labors to include speaking out against persecution against Christians and Buddhists as well as Jews. Rabbi Schneier has used his inestimable prestige to serve as a voice of reason, a conscience for the world.

In 1992, as war ravaged the former Yugoslavia and ethnic hatred took the lives of hundreds of thousands of innocent civilians, Rabbi Schneier convened the Religious Summit on the former Yugoslavia in Switzerland with the participation of Patriarch Pavle, Rais al Ulema Selimoski and Archbishop Puljic of Sarajevo. They called for an end to the ethnic war, issuing a joint statement signed in the office of the President of Switzerland declaring that "a crime perpetrated in the name of religion is a crime against religion." In March 1995, Rabbi Schneier organized an Appeal of Conscience conflict resolution conference in Vienna. He once again brought together high-ranking leaders of the Catholic Church, the Serb Orthodox Church and Islam to urge an immediate end to the bloodshed. The Vienna Conference sent a powerful message from the international religious community to the warring parties, helping to create an environment conducive to the successful negotiation of the Dayton Accords months later.

The list of Schneier's worthy crusades extends to countries small as well as large, to faiths with few adherents in addition to religions with billions of worshipers. Schneier has fought for the rights of political prisoners in Argentina, Baptists in Romania, Catholics in Northern Ireland, and

non-Catholics in Spain, for both high profile causes and those that garner little attention. He has met with Popes, Presidents, and dozens of world leaders, using personal relationships, political pressure, and indefatigable lobbying to serve the better instincts of mankind.

Rabbi Schneier's litany of accomplishments have been recognized time and time again by humanitarian organizations and governments. Since 1995, he has served as Chairman of the United States Commission for the Preservation of America's Heritage Abroad, created by Congress to encourage the preservation of historical sites and monuments associated with the foreign heritage of American citizens. President Reagan appointed him as United States Alternative Representative to the 43rd Session of the United Nations General Assembly, and President Carter selected him as a member of the United States Delegation for the Return of the Crown of St. Stephen to Hungary. He serves on the executive committee of the American Jewish Joint Distribution Committee, is honorary chairman of the World Jewish Congress, American section, and was the first rabbi elected to the Council on Foreign Relations. In 1996, the Mayor of his native Vienna awarded Rabbi Schneier the prestigious Dr. Karl Reimer Prize in recognition of his work on behalf of religious freedom and human rights. The following year he was presented with The Grand Decoration of Honor in Gold with Star for Services to the Republic of Austria by Austrian Vice-Chancellor and Foreign Minister Wolfgang Schüssel. He has also received honorary degrees from numerous institutions of higher learning both in American and around the world, and his leadership served as the inspiration for a Chair in International Relations established in his name at his alma mater of Yeshiva University.

As the founder of the Congressional Human Rights Caucus, a senior Member of the House International Relations Committee, and a fellow survivor of the Holocaust in Hungary, I have worked with Rabbi Schneier on numerous occasions over the past several decades, and I have never failed to be impressed by his principled brilliance, his unwavering idealism, and his persistent commitment to the cause of religious liberty. His life has been guided by words he so eloquently stated several years ago: "The Almighty could have, but did not, create a perfect world, so that man would have his share in perfecting it. Each one of us can make a difference. . . . To be silent in the face of man's inhumanity to man was and is simply unacceptable."

In honor of his determination to ensure that all men and women live in peace and dignity, I strongly urge you to appoint Rabbi Arthur Schneier to be Chairman of the Commission of International Religious Freedom.

Sincerely,



TOM LANTOS
Member of Congress