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Folder Title:
Box 2, Folder 2: [State of the Union - December 11, 1995 to January 20, 1996] [1]

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December 11, 1995

MEMORANDUM FOR THE CHIEF OF STAFF

FROM: DON BAER

SUBJECT: STATE-OF-THE-UNION PROCESS

Attached is a proposed process and notional schedule for the planning, writing and marketing of the 1996 State of the Union Address. This plan incorporates the following tasks:

1. Development of themes and substance

    A. Policy outreach process from within and outside the government being led by Bruce Reed
    B. Thematic outreach process from range of thinkers and advisers being conducted by Speechwriting
    C. Public opinion research (polling on themes, language, target groups, ideas) being conducted by Penn & Schoen

2. Drafting of speech under White House Speechwriting

3. Presidential preparation, including time for thinking, writing, editing, media training and rehearsing. (Activity that requires substantial Presidential time is underlined).

4. Amplification and roll-out of speech and themes

    A. Free media opportunities before and after speech
    B. Paid media before and after speech
    C. Other marketing efforts designed to build impact of speech

The attached schedule already reflects some ideas for Presidential media and events that relate broadly to year-end/new-year themes.

To move this entire process forward, we need to work closely with the Message Group. With your permission, I would like to use a subset of that group as a SOTU working group, which would begin to take responsibility this week for implementing the approved process (Attachment 1).

DECEMBER
Week of 12/11

- Present plan to Message Group; approval of plan by President; formation of SOTU working group
- Outreach by Speechwriting to outside thinkers and advisers (including Galston group) for themes (aimed at 12/19 deadline)
- Receive comments on Reed ideas memo and continue to vet new policy ideas (aimed at 12/19 deadline)
- Draft and circulate poll questionnaire, coordinated with theme and policy research (aimed at survey in field 12/16-18; note: no poll at this time if government is shut down)
- SOTU working group first cut at the following: Themes and policies; pre- and post-speech Presidential and Cabinet/surrogate amplification

Week of 12/18

- Preliminary analysis of poll (12/19-20)
- SOTU working group session to develop thematic outline and integrate other material (12/20 - 3 hours)
- Meeting with President (12/22) to present thematic memo, survey conclusions and notebooks containing Reed policy research and thematic advice from outside thinkers
- Proposed year-end media reflecting themes: CNN hour long special on President this year (12/21); CSPAN long interview

Week of 12/25

- First draft work by Speechwriting
- Meetings with President to discuss policy research (Reed) or thematic advice, if so desired or needed (12/26 - 27)
- SOTU working group: Further amplification plans

DECEMBER-JANUARY 1996
Week of 12/31

- Internal circulation of draft (1/5)
- First draft to President (1/6)
- Galston dinner with outside thinkers (1/6)
- SOTU working group: Final plans for Cabinet and other surrogates for pre- and post-speech efforts (1/5)
- Proposed new-year national town meeting (ABC/Jennings) reflecting themes

JANUARY
Week of 1/8

- Revised draft based on internal circulation and Galston group discussions (1/10)
- Media training (1/13)
- Polling/focus groups other research (1/8-12)
- SOTU working group meets with Cabinet/surrogates for pre-speech assignments to begin week of 1/15 (including speeches, tv interviews, talk radio, regional/specialty press); decides on post-speech plan for President and surrogates and develops other marketing
- Paid media group reviews themes; begins developing post-speech spot concepts (1/12)

Week of 1/15

- Draft back from President to staff (1/15)
- Martin Luther King Day speech (1/15)
- President speech prep (1/15)
- Redrafting (1/15-16)
- Full read through (1/17)
- Further media training
- Paid media drafts mall-test spots based on draft speech (1/16); filming with President (1/16-19, plus MLK Day speech)
- Proposed major print (newsmag) and tv interview by President on themes/expectations for speech
- SOTU working group meets with Cabinet/surrogates for final pre-speech assignments (in final run-up to speech) and post-speech assignments (to begin 1/24 - 25)

Question: Bosnian visit in run-up to speech?

Week of 1/22

- Rewriting by President
- Read through (1/21, 1/22) (2 ½ hours each day)
- Final pre-speech press interview?
- Mall test spots (1/20-21)
- State-of-the-Union (1/23 or 1/24)
- Post-speech Presidential activity TBD
- Cabinet/ surrogate post-speech activity
- Spot run begins (1/25)

December 1995

State-of-the-Union Schedule

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
3	4	5	6	7	8	9
10	11 SOTU Working Group formed Reed outreach Outside thinker outreach	12 Plan to message group Plan to POTUS	13	14 Draft poll questionnaire	15 SOTU Working Group: themes, policies	16 Poll in field
17 Poll in field	18	19 Deadline: outside thinker outreach Deadline: Reed outreach Preliminary poll analysis	20 SOTU Working Group: review themes, polls, policies	21 CNN special Prepare booklets on policy/themes	22 POTUS meeting: themes, polls, policies	23
24	25	26 CSPAN special POTUS meeting: themes, policy SOTU Working Group: amplification	27 Speechwriting: first draft work	28	29	30
31						

November 95

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January 96

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28	29	30	31			

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January 1996

State-of-the-Union Schedule

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	*2*	*3* National town meeting (ABC)	*4* SOTU Working Group: plans for POTUS post-speech	*5* First draft: internal circulation SOTU Working Group: final plans for Cabinet/ surrogates	*6* First draft to POTUS Galston group dinner
7	*8* SOTU Working Group: meet Cabinet/surrogates for pre-speech; decide post-speech; marketing Polling/focus groups	*9*	*10* Revised draft (based on circulation/Galston group)	*11*	*12* Media group: themes, post-speech spot concepts	*13* Media training
14	*15* Draft to staff from POTUS Further media training MLK Day speech POTUS speech prep Redrafting	*16* Media group: draft mall spots	*17* Read-through SOTU Working Group: meet Cabinet/surrogates for final pre/post-speech assignments	*18* POTUS filming for spots POTUS major tv/print interviews	*19*	*20* Mall test spots
21 Read-through (2.5 hr) Mall test spots	*22* POTUS rewrite Read-through (2.5 hr)	*23* State-of-the-Union [TBD]	*24* Cabinet/surrogates post-speech activity POTUS post-speech activity	*25* Spot run begins	*26*	*27*
28	*29*	*30*	*31*			

December 95

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February 96

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THE WHITE HOUSE

WASHINGTON

December 11, 1995

NOTE TO: JOHN KOSKINEN

FROM: KITTY HIGGINS

FYI.

John Koskinen
FYI
K.

MEMORANDUM FOR HAROLD ICKES

From: Kevin O'Keefe
Re: Implementation of the National Voter Registration Act
Date: December 8, 1995

The nine month totals for voter registration under the NRVA have been compiled by HumanServe. 7,356,378 voters have been either registered or re-registered under provisions of the act. Attached is a summary of the registrations by state and by source of registration. While the total number of registrations is on schedule to reach approximately 20,000,000 by November, 1996, concerns are being raised as to the low level of registrations in public assistance agencies and the extent of compliance in the Midwestern States, New York, Pennsylvania, and California.

Registration by individual state indicates where the Act is working, and where it is not. In the working states category, Florida by far has taken the most advantage of the NVRA and relative to population Washington, Maryland, Missouri, and Indiana have done comparatively better than other states. Illinois, California, Massachusetts, West Virginia, Maine, Delaware, Montana, New Mexico, Arizona, Connecticut, Nevada, Oregon, Tennessee, Louisiana, Pennsylvania, Colorado, New Jersey and relative to population New York, Michigan, and Ohio have not done as well implementing the Act.

HumanServe has prepare a plan of increasing the effectiveness of the Act's implementation. The plan is attached. The plan has three components. One, Intergovernmental action directed to Governors and Secretaries of State as well as other locally elected officials. Two, Political affairs action directed to labor unions. Three, Cabinet affairs action directed to units of federal government. Four, increased visibility by actions of POTUS and FLOTUS.

Intergovernmental Action

IGA should make a series of calls to Democratic Governors and Secretaries of State to discuss compliance procedures and other means of implementing the Act. States targeted would include Alaska, Colorado, Delaware, Hawaii, Maryland and Washington. In addition, IGA should consult with legislative leadership in California, Illinois, Massachusetts, New Jersey, New York, and Pennsylvania.

Political Affairs

We need to work with Sweeny and other union leadership including AFSCME and SEIU to secure labor assistance in implementing the Act. HumanServe also has a funding issue raised in their action plan.

Cabinet Affairs

An interagency taskforce such as the President's Management Council needs to be utilized to coordinate Cabinet activity in this matter. Kitty Higgins and I are already implementing this step. We have a meeting set later this month to explore the coordination process.

POTUS and FLOTUS Visibility Issues

Eleanor Smeal is setting up a February meeting with Women's groups from across the country. It might be a good idea for HRC to attend and talk about the need to get women fully involved in the electoral process and to begin with voter registration.

A POTUS event highlighting registration would also be beneficial especially on the anniversary of signing the NVRA.

The HumanServe Action plan together with charts and tables showing the extent of voter registration under the NVRA is attached.

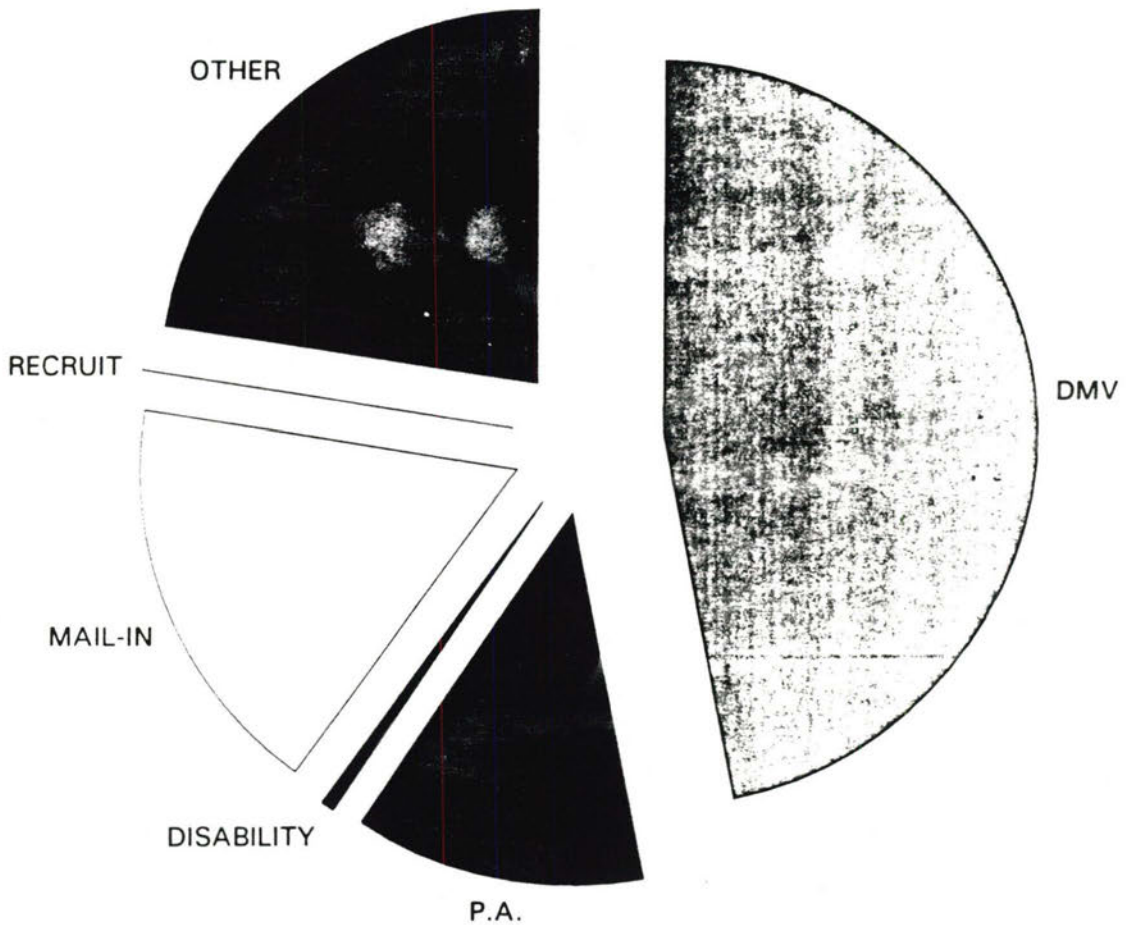
Total Registration by State

FL	1,034,732
NY	531,031
GA	447,556
MI	333,591
WA	313,053
NC	327,434
OH	313,717
MD	256,515
MO	292,156
CA	213,006
IN	264,767
NJ	180,000
CO	162,349
PA	158,165
KE	174,907
OK	169,123
LA	156,872
IA	142,913
TN	131,068
OR	97,922
AL	110,448
NV	64,502
KS	53,371
CT	51,490
UT	59,889
NE	50,801
AK	47,212
AZ	45,881
NM	45,910
DC	38,440
MT	27,000
DE	23,626
ME	25,470
MS	13,000
WV	27,698
HI	11,298
MA	11,785
SD	9,644
IL	0
RI	0

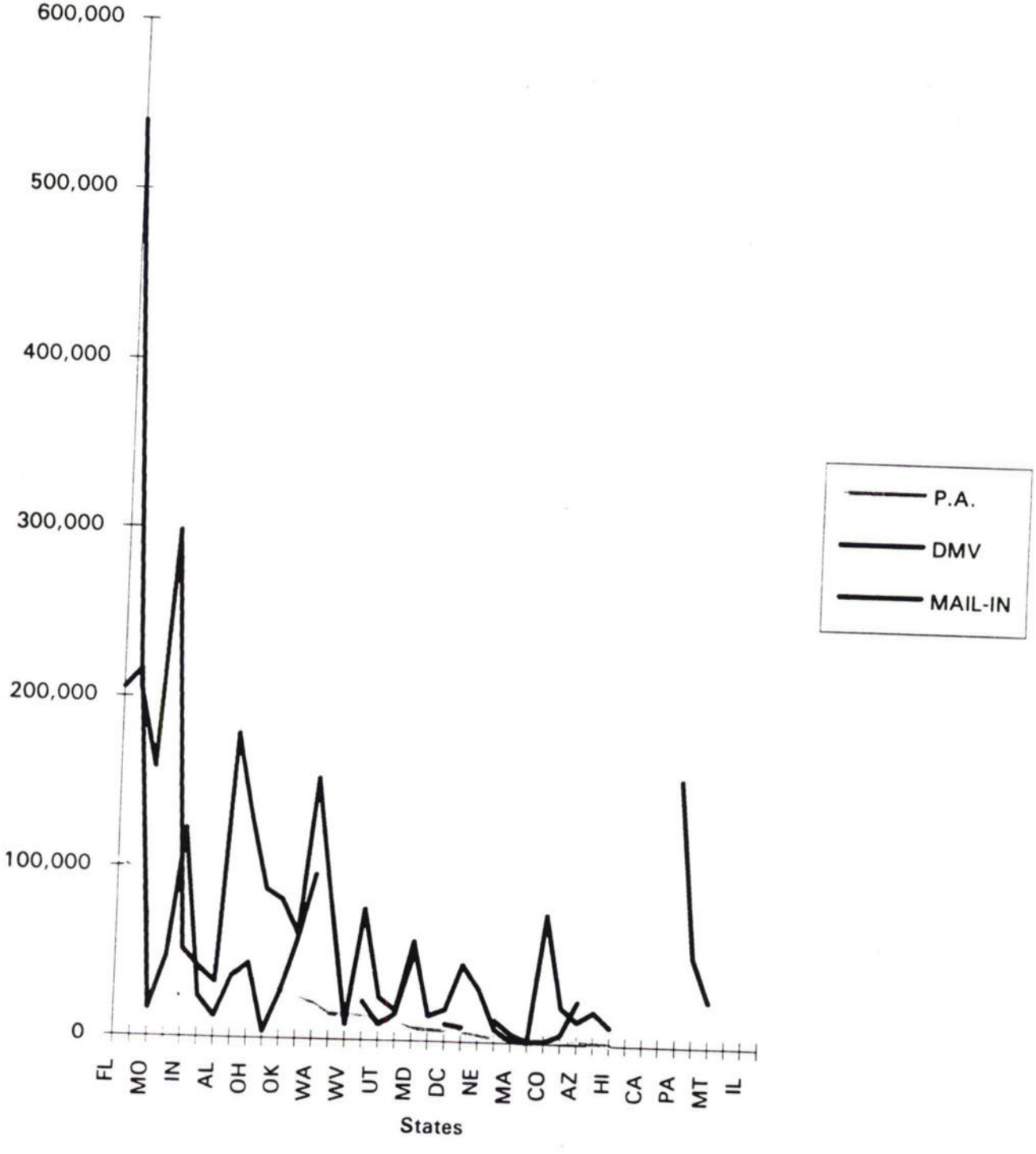
Nine Months 1995 Voter Registration by State and Means

STATE	DMV	P.A.	DISABILITY	MAIL-IN	RECRUIT	OTHER	TOTAL
AK	21,501	1,635	63	5,991		18,022	47,212
AL	32,864	41,099		12,520		23,965	110,448
AZ	13,562	1,495	333	25,374	25	5,092	45,881
CA	213,006						213,006
CO	76,098	2,596		1,252	11	82,392	162,349
CT	7,855	2,930	82	13,180	35	27,408	51,490
DC	18,924	6,622	143	10,338	4	2,409	38,440
DE	19,422	1,227				2,977	23,626
FL	539,547	102,941	5,635	205,320	680	180,609	1,034,732
GA	298,754	56,882	1,306	47,660	137	42,817	447,556
HI	10,668	630					11,298
IA	77,405	14,114	295	22,714	12	28,373	142,913
IL							0
IN	52,020	52,748	3,945	123,450	70	32,534	264,767
KE	88,312	30,777	1,319	4,076	9	50,414	174,907
KS	53,371						53,371
LA	62,343	24,109	1,725	59,362	81	9,252	156,872
MA	1,337	2,779		5,436		2,233	11,785
MD	58,904	7,454	511	50,847	15	138,784	256,515
ME	14,914	6,946	52		23	3,535	25,470
MI						333,591	333,591
MO	159,124	67,621	1,626	16,360	120	47,305	292,156
MS						13,000	13,000
MT	27,000						27,000
NC	179,813	38,747	3,354	36,322	195	69,003	327,434
NE	31,362	3,655	481		16	15,287	50,801
NJ						180,000	180,000
NM	17,672	10,698	481	15,782		1,277	45,910
NV	45,537	5,716		8,791	32	4,426	64,502
NY	205,621	98,270	1,369	216,701	356	8,714	531,031
OH	130,046	35,827	1,440	44,258	22	102,124	313,717
OK	82,253	27,606	626	27,618	17	31,003	169,123
OR	78,681	14,902	4,029			310	97,922
PA	158,165						158,165
RI							0
SD	683	2,779	117	1,014	12	5,039	9,644
TN	41,438	41,491		24,360	106	23,673	131,068
TX	442,978	166,634	3,139	215,169	764	100,578	929,262
UT	25,161	12,107	171	9,491		12,959	59,889
WA	154,266	20,919	8,080	97,522		32,266	313,053
WV	9,230	14,854	1,301			2,313	27,698

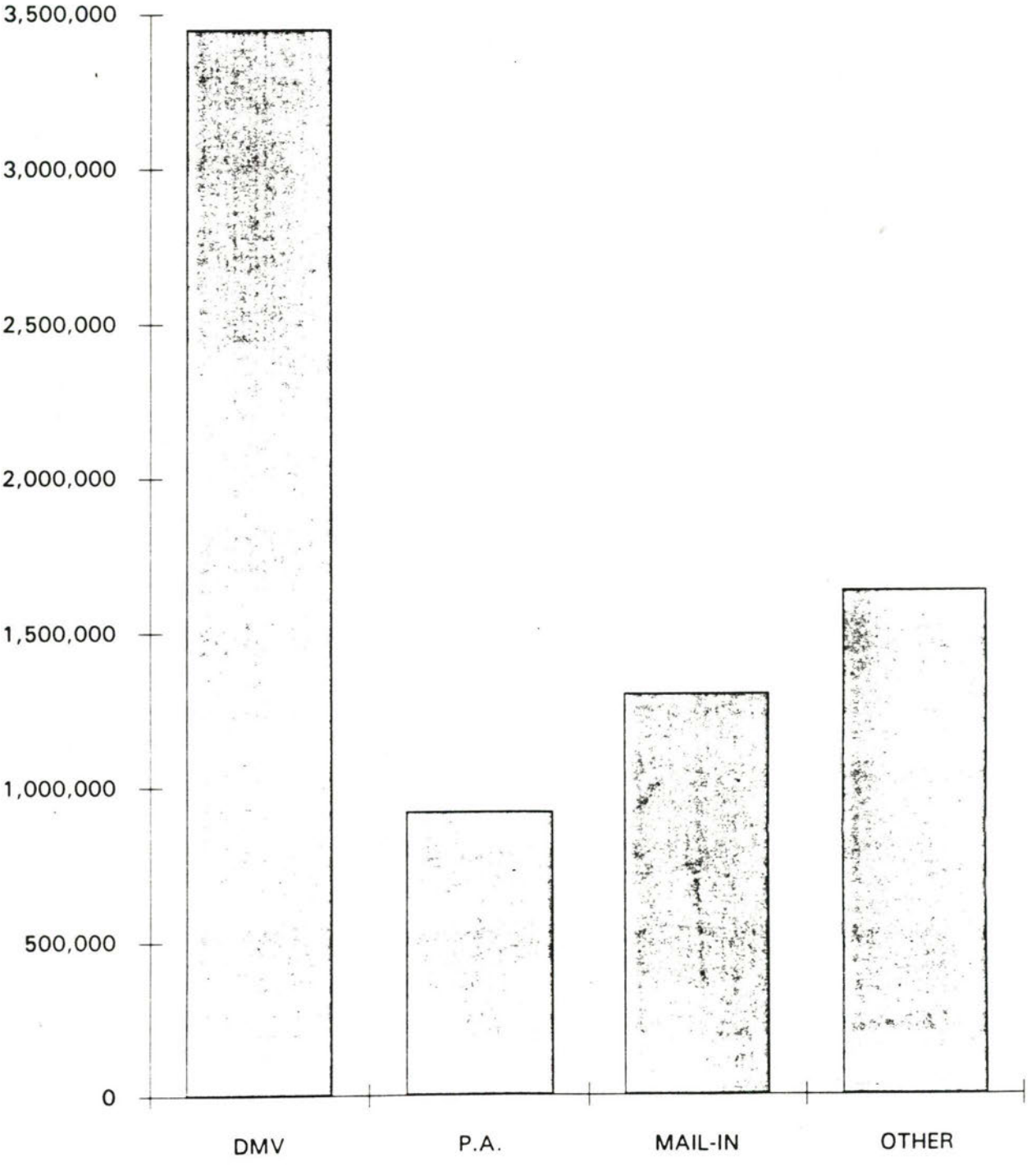
First Nine Months NRVA



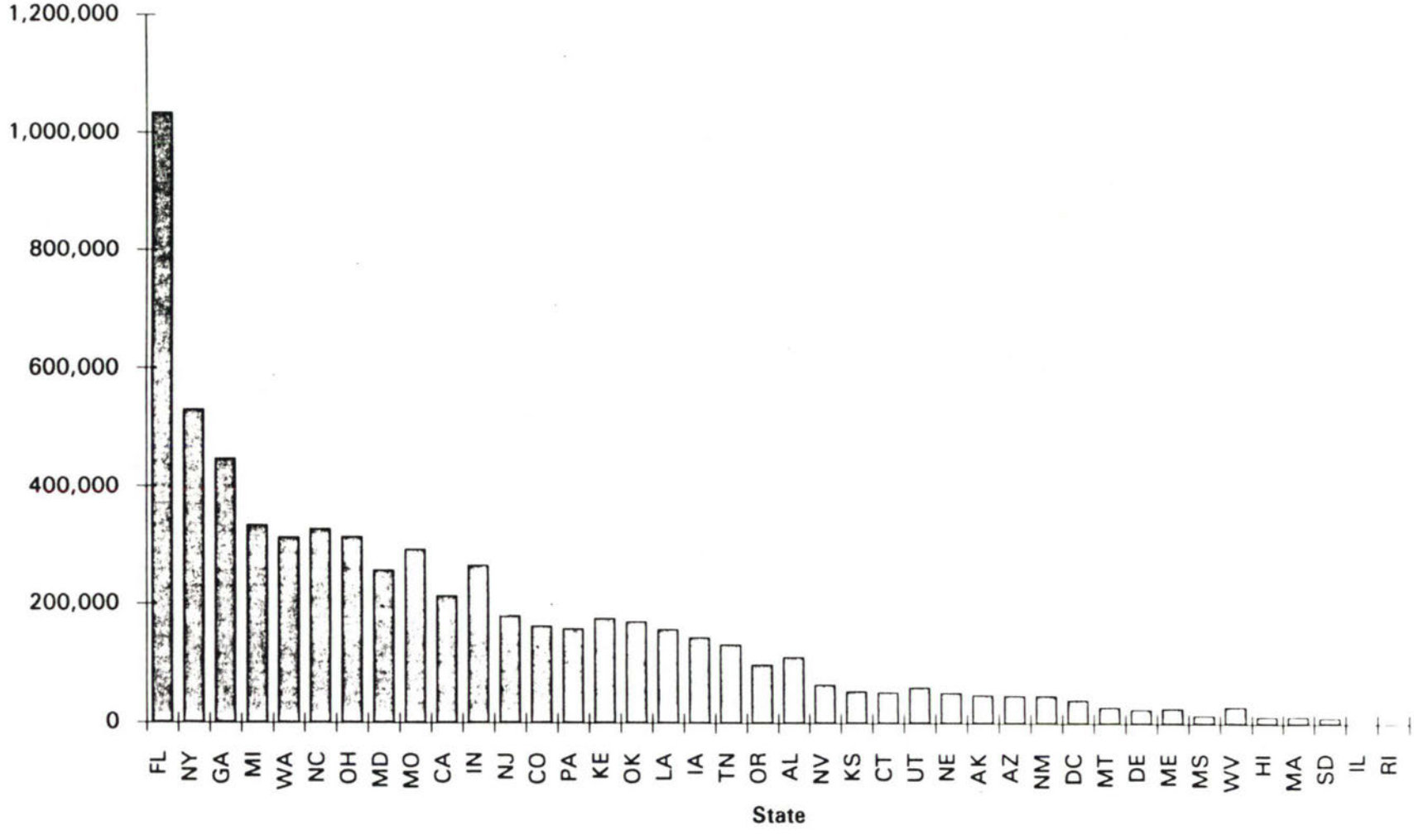
NVRA Registration



First Nine Months NRVA Implementation



Registration by State



PROPOSED ACTION PLAN

This memoradum specifies how the White House can help deal with low public assistance (PA) voter registration rates in some states, and how it can help spur a national campaign to mobilize nonprofit social service agencies to register their clients (mainly women) at their application/intake desks.

States

Alaska, Colorado, Delaware, Hawaii, Maryland, Washington
Democratic governors, but lousy PA numbers.
White House should talk to governors, and state election officials.

California, Illinois, Massachusetts, New Jersey, Pennsylvania
Republican governors; they refuse to provide PA numbers. We are doubtful that many PA recipients are being registered.

1) Justice department: file FOIA requests for PA numbers; other action as deemed suitable, such as visits by Justice representatives to PA offices.

2) Democratic parties in these states should monitor these agencies to see what is happening (e.g., send representatives to PA sites to see for themselves whether clients are being given a chance to register). If the Democrats control either house of the legislature, they should be asked to use their leverage, perhaps by holding hearings. Another example is that Massachusetts Democratic Secretary of State Bill Galvin (617/727-9180) could be called, and be commended for his good efforts and asked whether he thinks PA voter registration is proceeding, and to discuss strategy if it is not (as we believe). In addition, Illinois has created a dual registration system (one system for federal elections which complies with NVRA, the other without mail-in for all elections). Democrats in Illinois should make a big stink about the dual system -- supported by the Gov. and both Republican-controlled houses -- which is expensive and will create chaos on election day.

3) Unions are crucial, especially AFSCME and SEIU, and other unions in some states (e.g., CWA in New Jersey and NYCity). Their members do PA eligibility and recertification work. They could register millions. Human SERVE (especially Frances Fox Piven, co-executive director) has been meeting with top officials: Frank Cowan, Assistant to the President, AFSCME (202-429-1111); Dan Lucas, Director of Political Department, SEIU (202-898-3352); Gerry Shea, Executive Assistant to the Secretary/Treasurer, AFL-CIO (he knows us well -- 202-637-5237). All seem sympathetic. General consensus that Sweeney is the key; he could establish an inter-union coordinating committee of the 4 or 5 relevant unions, perhaps under Shea (we understand that Shea is in charge of Labor's voter registration effort), to reach down to appropriate locals, state by state, to get their eligibility and recertification worker members enthusiastic about this project. Human SERVE prepared a map of key CDs for these officials (based on White House and Labor priorities), showing counties and numbers of unregistered PA recipients in each CD.

   Without help from the White House, it is beyond our staff capability to keep trying to mobilize the unions. We have, for example, been trying for weeks to reach Jan Pierce, CWA (212/344-2515), to talk about his PA eligibility worker members in New Jersey. White House should call him, and tell him we are ready to help (he knows us -- indeed,

he is one of Human SERVE's board members). We are available to meet with his PA stewards (and with stewards in other states) -- in other words, to be a training resource, if the unions wish (although we can't afford travel money).

New York

1) Registration in NYCity was much lower than upstate before the NVRA. The NVRA is worsening the gap because 90% of upstate VAP drives, but only 50% of NYCity. To make matters worse, DMV registration in NYCity is going poorly compared to upstate (longer lines, harassed workers, etc.). It is essential to raise vr in NYCity DMVs. Unemployment and PA offices are even more crucial because so many nondrivers pass through them (9 of 900 AFDC mothers interviewed on a single day in a high volume welfare center had licenses; only 60% of 50 persons interviewed in a Manhattan unemployment office had licenses). This is a problem unique to NYCity, owing to the excellent public transportation system, problems of parking, high poverty population, etc. As things are going, there will be a substantial upstate electoral edge.

2) Human SERVE succeeded in having unemployment offices designated as vr sites by NYState enabling legislation enacted June 1994 (the only other states doing the same are DE, MO, and NC). Pataki refused to implement. Human SERVE filed suit in federal court. Two weeks later, NYState Attorney General requested discussions, and has agreed to implement by February-March. Human SERVE is watching.

3) Meanwhile, PA registration is feeble. The problem is not the NYState board of elections. It is Pataki's NYState department of social services, and Giuliani's Human Resources Administration.

4) Human SERVE has close relations with Sanford Cohen, Chief of Civil Rights Litigation, US Attorney, Eastern District (718/254-6249). He has been systematically collecting information, and will make a decision in late December about filing suit against the state. An expression of White House interest might influence this decision.

5) Unions are key, whether in DMVs or PA. DMV and PA workers/supervisors have vr forms, but they view vr as extra work. Unions reps and stewards, etc., need to emphasize to unionized eligibility workers and supervisors the importance of this task (higher registration of poorer people could help unions, save public jobs, etc.)

   The key union leaders are:

   In Statewide DMVs and Unemployment, and PA in upstate counties
   Danny Donahue, Civil Service Employees Association AFL-CIO (518-434-0191), has DMV and unemployment workers statewide, and all PA workers in counties outside of NYCity. The executive director of the NYState board of elections (with whom we have close relations) complains that Donahue will not return phone calls, that he is totally uncooperative. White House could call him, asking especially that he motivate workers in NYCity DMVs, and in upstate county PA offices.

   In NYCity
   Dennis Rivera, 1199 (212-279-4400), whose workers do Medicaid eligibility in private hospitals. He has contributed $25,000 to our work. He should be called to thank him for his financial support, and to emphasize importance of his Medicaid eligibility and recertification workers.

Stanley Hill, DC 37-AFSCME (212-815-1511), whose workers do all PA eligibility and recertification in public agencies (AFDC, FOOD STAMPs, WIC, and MEDICAID in public hospitals). PA vr performance will not improve unless his workers cooperate. Human SERVE has met with him, and he professes support. We also asked for financial help, but he was noncommittal. A White House call would help underscore the crucial importance of his union, and financial support, to this effort.

Arthur Cheliotis, CWA Local 1180 (212/226-6565), whose members in NYCity include all PA supervisors, including in Medicaid eligibility offices in public hospitals. We've had several meetings with him; very supportive, but we do not know whether he has put a plan in place to educate his supervisors to press their subordinates (i.e., Stanley Hill's eligibility workers) to emphasize vr. A White House call would help.

Brian McGlaughlin, Central Labor Council (212/685-9552). After several discussions with Human SERVE, he has agreed to coordinate union efforts. A call to him would be reinforcing. We've also asked him to raise $50,000 for Human SERVE's work in New York; noncommittal.

In order to compensate for poor PA registration in NYCity, Human SERVE is mobilizing nonprofit agencies to register clients. There are 3,000 agencies providing direct services in NYCity -- for example, 350 day care agencies -- and they could easily register several hundred thousand before the '96 election. Because of the political importance of New York State, we have a full-time staff member working solely on this campaign, which appears to be accelerating.

Additional States Needing Action

Connecticut
Low vr in PA. Democratic Secretary of State Miles Rappoport (203/566-2739) is working hard for improvements, against resistance by the governor. Provide encouragement.

Louisiana
Low vr in PA. Both houses Democratic, with an incoming Republican Governor who doesn't like NVRA.

Mississippi
Low vr in PA. Dual lists (one for federal and the other for all other elections). Conservative Republican Governor. Both houses Democratic--they could raise hell.

Montana
NOT DOING PA. Republican Governor paired off agfainst a very progressive Democratic Secretary of State, Mike Cooney, who should be called to strategize (406/444-2034).

Rhode Island
Late start, no numbers yet. Both houses Democratic.

Low numbers from **Arizona**, **Idaho**, **Kansas** and **Ohio**, but Democrats are not in the leadership anywhere in these states.

Nonprofit Agencies and the Women's Movement

Last spring, Human SERVE initiated a campaign to mobilize nonprofit agencies serving women (day care, family planning, community health) to register their clients to vote at application/intake desks, just as in public agencies. At the same time, the women's movement appears to be stirring, what with Eleanor Smeal's call for a women's summit on the budget in early February. Fortunately, for voter registration, this could be a convergence made in Heaven.

The women's movement, with its middle-class membership, is not linked to poorer women, and thus has no way of registering them in large numbers. It's so bad that some women's groups are talking about recruiting volunteers to canvass in laundromats, a strategy that will reach a few thousand at best. There are a growing number of organizational spokespersons waving voter registration banners who have no viable way of doing it. Voter registration is a mass problem requiring a mass solution.

Nonprofit agencies can provide the essential linkage and scale, staffed as they are by better-off women serving less-well-off women. There are at least 24 million women who are not registered to vote, two-thirds of whom are low-income, according to the 1992 census. There are tens of thousands of social agencies with millions of women clients.

The times thus beg for a coalition of the women's movement and the social service sector; they have an overlapping membership and interests in common. And unlike traditional hands-on voter registration campaigns whose scale is limited by the pool of volunteers willing to staff tables or canvass lines, women workers registering women clients could add millions to the rolls -- and they can do it in their offices during working hours.

Frances Fox Piven of Human SERVE has been discussing the summit with Smeal, emphasizing that voter registration through social agencies should be a priority. Eleanor Smeal agrees, and is inviting human service associations to attend the Summit. Human SERVE is urging them to attend as well. Our hope is that women staff in human service agencies will be more likely to register clients in the context of a general women's mobilization.

Human SERVE has already invested heavily in our nonprofit campaign. In the late spring of 1995, Human SERVE began holding what turned out to be well-attended meetings in Washington, D.C. of national social service associations to urge them to reach out to local affiliates to make voter registration a regular service at reception/intake desks. More than 50 organizations have joined up, seemingly with a good deal of energy and commitment, including: the National Association of Social Workers, Family Service America, Food Research and Action Center, National Association of Child Advocates, Planned Parenthood Federation of America (which claims to see 5 million annually in 915 clinics), Voters for Choice Education Fund, Child Welfare League of America, National YWCA and the like. These organizations now meet regularly under the banner VOTE USA, and there appears to be a growing level of commitment. They are beginning to use conferences, newsletters and mail to spread word of the campaign among local agencies.

We emphasize that the Christian Right is conducting voter registration in thousands of churches, so why not in thousands of day care and family planningcenters? We also emphasize that although much is being made of the way social program cuts will drive many children into poverty, not enough is being made of the impact of cuts on women whose survival also depends on income and nutritional and health supplements, as well as

job training and child care. Moreover, by far the majority of college-educated women who work are employed in the health/education/welfare complex, and many will lose their jobs as a result of cuts. To be sure, there's a war on children, but it's also a war on women. It is therefore in the interests of middle-class women service providers to register their clients. Of the 67 million women who were registered to vote in 1992, more than 60 million went to the polls, almost 90 percent.

As for political education and get-out-the-vote, we hope agencies, as a matter of public information, will inform clients that government is slashing the services and benefits they and their children receive. That could be a powerful motivating message on election day. We are targeting northern industrial states.

The social agency effort is being co-ordinated by Jo-Anne Chasnow, associate director of Human SERVE. The campaign is badly underfinanced, but we are still thinking through how additional resources might best be used. Human SERVE will have recommendations shortly about how the White House can support this effort.

HUMAN SERVE NEEDS FINANCIAL HELP

Human SERVE is housed rent-free at Columbia University. We need $50,000 for New York and $100,000 for our national work, all of it toward our $400,000 budget, or we will have to fire one or more of our small 7-person staff. Corporate, foundation, and individual donor contributions are tax-deductible.

THE WHITE HOUSE

WASHINGTON

December 19, 1995

MEMORANDUM FOR CABINET SECRETARIES

FROM: KITTY HIGGINS
DON BAER

SUBJECT: STATE-OF-THE-UNION THEMES AND MESSAGE

As you know, the President will deliver the State-of-the-Union Address in the third week of January.

We are preparing for the President a compendium of memoranda from thinkers and supporters inside and outside the government. We would like to ask you to prepare for the President a brief (1-2 pages) memorandum outlining which themes and messages you would recommend he use in this speech. There will be additional opportunities at a later point to discuss specific policies and proposals to be included in the address.

Please fax us your recommendations, if you choose to do so, by COB Thursday. If you have any questions, please don't hesitate to call us or Michael Waldman at 456-2272.

Soft file

THE WHITE HOUSE

WASHINGTON

December 19, 1995

MEMORANDUM FOR CABINET SECRETARIES

FROM: KITTY HIGGINS
DON BAER

SUBJECT: STATE-OF-THE-UNION THEMES AND MESSAGE

As you know, the President will deliver the State-of-the-Union Address in the third week of January.

We are preparing for the President a compendium of memoranda from thinkers and supporters inside and outside the government. We would like to ask you to prepare for the President a brief (1-2 pages) memorandum outlining which themes and messages you would recommend he use in this speech. There will be additional opportunities at a later point to discuss specific policies and proposals to be included in the address.

Please fax us your recommendations, if you choose to do so, by COB Thursday. If you have any questions, please don't hesitate to call us or Michael Waldman at 456-2272.

December 1995

Presidential Calendar

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1 Ireland World AIDS Day Residence Closed for Holiday Decorating	2 Depart For Germany (early a.m.) Baumholder, Germany Depart For Spain (p.m.) RON Madrid, Spain
3 Madrid, Spain Return to United States Kennedy Center Honors, DC	4 Day & Evening Off	5 Meeting With Refugees From the Former Yugoslavia Drop By Briefing on Bosnia Peace Accord Budget Meeting Oregon Special Election Primary	6 Budget Event Drop By Bosnia Briefing WH Conference on AIDS Paegent of Peace WH Holiday Reception	7 Interview With People Magazine DNC Lunch, Off Complex Congressional Meeting (T) Congressional Meeting (Budget) (T) Meeting With Campaign Notary Hold Evening (ss)	8 Meeting Wtih Democratic Governors Dos Santos of Angola (2 1/2 hrs) VP Meeting Tape Radio Address Tape 60 Minutes Interview Oregon Reception, Off Complex	9 Arkansas RON Arkansas
10 Arkansas Photo With Social Aides Christmas in Washington Private Dinner RON DC	11 Meeting, Lunch & Press Conf. With PM Peres of Israel Holiday Receptions (2)	12 Ambassador Credentials (3) Bosnia Event Meeting With Campaign Notary Drop By Mtg With Texas Democratic Officials Congressional Meeting Holiday Reception	13 DNC Coffee Meeting With Elie Wiesel Briefing For Interview Interview With Tom Brokaw Holiday Receptions (2) Depart For Paris (p.m.)	14 Paris, France Depart Paris en Route DC (p.m.)	15 Down Time (9:00 a.m. - 1:00 p.m.) Intern Photo Presentation of Citizen's Medal to Families of US Diplomats DNC Afternoon Coffee WH Holiday Dinner	16 Live Radio Address Family Time Holiday Party
17 Holiday Party	18 Hanukkah Budget Event Presidential Directive on Drug Testing Holiday Reception DNC Dinner, Off Complex	19 Lobbying Bill Signing Briefing For Nickelodeon Nickelodeon Taping, Off Complex Veto of H.R. 2076 Holiday Press Receptions (2)	20 Hold 8:30 a.m. - 9:30 a.m. (SS) Briefing For Interview Interview With LA Times Women's Leadership Meeting (30 min) Videos Holiday Press Receptions (2)	21 Hold 30 Min (DS) DNC Coffee VP Lunch Briefing For Interview Interview w/ CNN Holiday Party	22 Special Briefing @ Pentagon Briefing For Interview @ Pentagon Interview w/ "Stars & Stripes" & Armed Forces Network @ Pentagon Tape Radio Address Children's Holiday Party (afternoo	23 Evening Off
24 Phone Calls to the Troops Day Off Evening Off	25 Christmas Day	26 Family Time Day & Evening Off	27	28	29	30 Live Radio Address
31 Day & Evening Off						

November 95

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January 96

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Printed on Wednesday, December 20, 1995 3:19 PM

January 1996

Presidential Calendar

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1 New Year's Day Day Off Evening Off	2 Hold Evening	3 State of the Union Prep Private Dinner @ WH	4 VP Lunch United Negro College Fund Reception @ WH	5 DNC Lunch, Off Complex Tape Radio Address Evening Off	6
7 Dinner With Galston Group @ WH	8 CG Lunch, Off Complex State of the Union Prep Evening Off	9 DNC National Democratic Club Fundraiser Nikeloden	10 Hold 2 Hours For Taping State of the Union Prep Hold Evening	11 Hold For CG Fundraising Dinner, NYC RON New Hampshire (T)	12 Hold For CG Travel, New Hampshire (T) Hold For CG Fundraising Dinner, Nashville RON Nashville	13 Hold For CG Events, Nashville (T) Live Radio Address
14 Hold For Camp David Evening Off	15 Martin Luther King Jr. Day Hold For MLK Event (T) Evening Off	16 State of the Union Prep	17 State of the Union Prep Hold Evening Anniv. of Northridge Earthquake	18 VP Lunch State of the Union Prep Drop By OK City Scholarship Fund Meeting DNC Dinner @ WH	19 Meeting 1 Hour (DS) State of the Union Prep	20 Live Radio Address
21	22 State of the Union Prep	23 State of the Union	24	25 VP Lunch Hold Evening	26 US Conf. of Mayors, DC (T) Hold 30 min. (SS)	27 Live Radio Address Alfalfa Dinner (T)
28 Phone Call To Winner of Super Bowl	29	30 Hold per AW Oregon Special Election	31 Hold Evening			

December 95

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February 96

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February 1996

Presidential Calendar

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1 Chirac State Visit	2 VP Lunch Hold For Possibld CG Travel, New Hampshire (T)	3
4 National Governor's Association Annual Dinner @ WH (T)	5 NGA Roundtable @ WH (T) Democratic Governor's Association Annual Dinner (T)	6 Hold For CG Travel, MD	7 Natl. Conf. of State Legislators, DC (T) Hold Evening	8 Hold For Announcement Hold For CG Travel: CT & NH	9 Hold For Announcement Hold For CG Travel, New Hampshire	10
11 Hold For CG Travel, Iowa	12 Lincoln's Birthday Iowa Caucus	13 Hold Evening	14 Hold For CG Travel, AZ & NV	15 Hold For CG Travel, CA	16 Hold For CG Travel, CA & Colorado (1)	17 Hold For CG Travel IL (1) RON DC
18	19 President's Day	20 New Hampshire Primary	21 Ash Wednesday	22 Washington's Birthday Hold Evening	23 Hold For CG Travel, FL & GA	24 Delaware Primary
25 Down For Day, DC	26 Hold For CG Travel: OH & MN	27 CVC Birthday South Dakota Primary	28 Meeting w/ Amir Al Sabah of Kuwait (30 min) (T) DCCC Reception @ WH	29 Hold For CG Travel, Missouri (2) Hold Evening		

January

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March

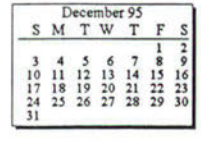
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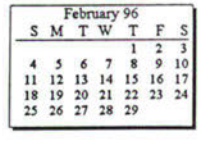
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January 1996

Primary/Caucus Calendar

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2	3	4	5	6
7	8	9	10 OR ballots mailed out	11 NH	12 Iowa	13
14	15 MLK	16	17	18	19	20
21	22	23 SC	24 →	25 →	26 →	27 →
28	29	30 OR special election	31			



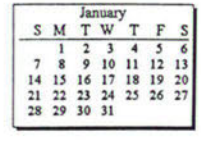


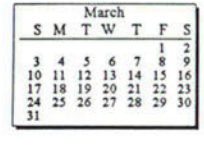
(*) = Not using state primary Printed on 12/21/95

February 1996

Primary/Caucus Calendar

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	2	3
4	5	6	7 →	8 →	9	10
11	12 IA caucus	13	14	15	16	17
18	19	20 NH primary	21	22	23 →	24 DE primary
25	26	27 ND (*), AZ (*), SD (*) primaries	28	29		





(*) = Not using state primary Printed on 12/21/95

March 1996

Primary/Caucus Calendar

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	*2* SC (*) primary
3	*4*	*5* CO, CT, GA, ME, MD, MA, RI, VT primaries ID, MN, SC, WA caucuses	*6*	*7* MO caucus NY primary	*8*	*9* AK, AZ, SD caucuses
10 NV caucus PR primary	*11*	*12* FL, LA, MS, OK, OR, TN, TX primaries HI caucus	*13*	*14*	*15*	*16* MI caucus
17	*18*	*19* IL, OH, WI, MI (*) primaries	*20*	*21*	*22*	*23* WY caucus
24	*25* UT caucus	*26* CA, WA (*), NV (*) primaries	*27*	*28*	*29* ND caucus	*30*
31						

February

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
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18	19	20	21	22	23	24
25	26	27	28	29		

April

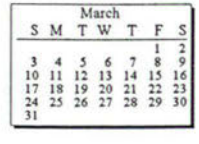
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April 1996

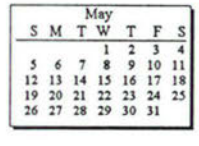
Primary/Caucus Calendar

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2 KS primary	3	4	5	6
7	8	9	10	11	12	13 VA caucus
14	15 VA caucus	16	17	18	19	20
21	22	23 PA primary	24	25	26	27
28	29	30				



March

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
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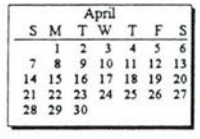
May

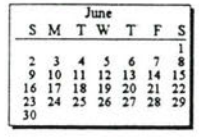
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19	20	21	22	23	24	25
26	27	28	29	30	31	

(*) = Not using state primary Printed on 12/21/95

May 1996

Primary/Caucus Calendar





Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1	2	3	4
5	6	7 DC, IN, NC primaries	8	9	10	11
12	13	14 NE, WV primaries	15	16	17	18
19	20	21 AR primary	22	23	24	25
26	27	28 KY, ID (*) primaries	29	30	31	

(*) = Not using state primary Printed on 12/21/95

June 1996

Primary/Caucus Calendar

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3	4 AL, MT, NJ, NM primaries	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

May

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12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

July

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21	22	23	24	25	26	27
28	29	30	31			

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K. Higgins

THE WHITE HOUSE

WASHINGTON

December 21, 1995

MEMORANDUM FOR DISTRIBUTION

FROM: DON BAER

SUBJECT: State of the Union Working Groups

To move ahead on the State of the Union process, we have made assignments for specific tasks in preparation for the speech and surrounding events.

Attached is a list of groups. Where appropriate, each group is being supplied with a separate assignment sheet that includes a deadline and recommendations for the task at hand. The designated lead for each group should call the group together or, in some cases, should reach out for written recommendations and to other staff in whatever way is helpful.

The Communications Department staff and I will work with each of the groups. Your final reports should be sent to me directly, and I will circulate to other senior staff for their ideas and sign-off.

Working groups

Presidential schedule (pre and post)
- Ann Walley, Lead
- Ann Lewis
- Doug Sosnik
- George Stephanopoulos
- Dick Morris

Surrogate themes and schedule (pre and post)
- Kitty Higgins, Lead
- Alexis Herman
- Marcia Hale
- Barry Toiv
- Lorrie McHugh
- Gene Sperling
- Maggie Williams
- Melanne Verveer
- Ron Klain
- Ann Lewis
- Bill Curry
- Rahm Emanuel
- Jill Schuker
- Chris Dorval

Policies
- Bruce Reed, with help from others

Themes
- Don Baer, Lead
- Ann Lewis
- George Stephanopoulos
- Michael Waldman
- Maggie Williams
- Melanne Verveer
- Ron Klain
- Tony Blinken
- Rahm Emanuel
- Gene Sperling
- Elaine Kamarck
- Bill Curry
- Dick Morris

Speech visuals
- Maggie Williams, Lead
- Ann Lewis
- Melanne Verveer
- Mike McCurry

Media Training
- Doug Sosnik, Lead
- Mike McCurry
- Don Baer

Rehearsals
- Don Baer, Lead
- Ann Lewis
- Michael Waldman

January Foreign Policy Speech
- Tony Blinken

January Budget Speech
- Michael Waldman

Assignment Sheet: Surrogate themes and schedule (pre and post)

To: Kitty Higgins
From: Don Baer

Assignment: To help develop and route to all relevant surrogates the schedule and themes for their activities, pre and post SOTU.

Deadline: Will have to be dependent upon decisions about Presidential activity and themes. For Pre-period, January 8. For post-period, January 15.

Method: Outreach to as many of the outreach agents in White House and elsewhere as deemed helpful. This will be a difficult task which will have to be sensitive to developments on the Presidential front. Kitty and Don should talk ASAP.

	Sec. Rubin	Sec. Perry	Sec. Glickman	Sec. Brown	Sec. Riley	Adm. Browner	Dir. Rivlin
1/16/96			Mexico City trip	India, Pakistan & Turkey trip	France, Germany & Sweden trip		
1/17/96			Returns to DC	trip continued	trip continued	Oregon trip (tentative)	
1/18/96	Leaves for Spain			trip continued	trip continued	Return to DC	
1/19/96	Spain			trip continued	trip continued		
1/20/96	Spain			trip continued	trip continued		
1/21/96	Returns to DC			Returns to DC	trip continued	Day in Boston	
1/22/96					Returns to DC		
1/23/96							
1/24/96				Miami, FL trip			
1/25/96			India & China trip	Returns to DC			Day in NYC
1/26/96		New Mexico, California & Texas trip	trip continued			Day in Connecticut and New Hampshire	
1/27/96		trip continued	trip continued			Day in Des Moines, IA	
1/28/96		trip continued	trip continued				
1/29/96		Returns to DC	trip continued				
1/30/96			trip continued		Day in Boston		

	Amb. Albright	Dir. Deutch	Dr. Tyson	Dir. Duffey	Dir. King	Adm. Johnson	Carol Rasco	James Lee Witt	Comm. Chater
1/16/96	Travel abroad	Travel abroad		Return from FL to DC					
1/17/96	continued	continued						Trip to LA	Day in NYC
1/18/96	continued	continued				Trip to NYC		continued	
1/19/96	continued	continued				continued		continued	
1/20/96	continued	Return to DC				Return to DC		Return to DC	
1/21/96	continued							Trip to Puerto Rico	
1/22/96	continued							Return to DC	
1/23/96	Return to NY								
1/24/96					Day trip to Portsmouth, NH & Andover, MA	Day trip to Cleveland, OH (tentative)			Day trip to Annapolis, MD
1/25/96			Lunch in Detroit						
1/26/96									
1/27/96							Trip to SC		
1/28/96							continued		
1/29/96							Return to DC		
1/30/96									

	Sec. Rubin	Sec. Perry	Sec. Glickman	Sec. Brown	Sec. Riley	Adm. Browner	Dir. Rivlin
1/16/96			Mexico City trip	India, Pakistan & Turkey trip	France, Germany & Sweden trip		
1/17/96			Returns to DC	trip continued	trip continued	Oregon trip (tentative)	
1/18/96	Leaves for Spain			trip continued	trip continued	Return to DC	
1/19/96	Spain			trip continued	trip continued		
1/20/96	Spain			trip continued	trip continued		
1/21/96	Returns to DC			Returns to DC	trip continued	Day in Boston	
1/22/96					Returns to DC		
1/23/96							
1/24/96				Miami, FL trip			
1/25/96			India & China trip	Returns to DC			Day in NYC
1/26/96		New Mexico, California & Texas trip	trip continued			Day in Connecticut and New Hampshire	
1/27/96		trip continued	trip continued			Day in Des Moines, IA	
1/28/96		trip continued	trip continued				
1/29/96		Returns to DC	trip continued				
1/30/96			trip continued		Day in Boston		

	Amb. Albright	Dir. Deutch	Dr. Tyson	Dir. Duffey	Dir. King	Adm. Johnson	Carol Rasco	James Lee Witt	Comm. Chater
1/16/96	Travel abroad	Travel abroad		Return from FL to DC					
1/17/96	continued	continued						Trip to LA	Day in NYC
1/18/96	continued	continued				Trip to NYC		continued	
1/19/96	continued	continued				continued		continued	
1/20/96	continued	Return to DC				Return to DC		Return to DC	
1/21/96	continued							Trip to Puerto Rico	
1/22/96	continued							Return to DC	
1/23/96	Return to NY								
1/24/96					Day trip to Portsmouth, NH & Andover, MA	Day trip to Cleveland, OH (tentative)			Day trip to Annapolis, MD
1/25/96			Lunch in Detroit						
1/26/96									
1/27/96							Trip to SC		
1/28/96							continued		
1/29/96							Return to DC		
1/30/96									

Themes for Secretary Perry's Year Ender

1. World is safer, more stable today than it was a year ago

- Iraq remains in check
- North Korea maintained nuclear freeze during year
- Slight thaw in relations with China
- Allied resolve prevented Bosnia from spreading
- American leadership has created opening for peace; IFOR deployment
- Stability in Haiti; recent election without significant violence
- Continued progress in cooperative threat reduction

2. Global alliances and partnerships have improved U.S. strategic position

- Pragmatic partnership with Russia
- Partnership for Peace
- NATO how and why study
- DMA
- U.S.-Japan reconfirmed need for strategic relationship

3. Successfully completed drawdown while protecting present and future readiness

- Drawdown now concluded
- Quality of Life emphasis to maintain recruitment, retention
- Performed major operations in Haiti, Somalia, Bosnia, elsewhere without significant readiness impact;
- Now turning to modernization; C-17 decision

Memo to: President Clinton (Don Baer, Kitty Higgins)
From: Bruce Babbitt (Jamie Workman, Mike Gauldin)

The Clean Water Act and Endangered Species Act are not partisan issues; they reflect moral and religious values.

1. Clean Water Act:
Empowers American Communities To Restore Their Local Watersheds.

Last Spring, President Clinton went to Rock Creek, the river that runs through the heart of Washington D.C., to celebrate the Clean Water Act and to fight against Congress's attempts to gut it.

But had he followed Rock Creek downstream to the Potomac, or further down to the Anacostia (both border DC "only blocks from this podium tonight") you would see that the Clean Water Act has gone even further. It has begun to restore.

On once neglected, run down, polluted parts of this city, I have seen new restaurants, boathouses, fishermen, offices, parks, joggers, bikers, even scuba divers -- an entire diverse community, all drawn down together to the public space where the now-clear water meets the land. This is happening not just in D.C., but in every American city where a river runs through it.

From the striped bass fishermen from the Hudson River towns, to the South Platte tributary that runs through Boulder, to the clear, cool Willamette cascading down through Portland, the Clean Water Act has been hard at work. Thanks to that Act, even in Cleveland, 26 years after the Cuyahoga River caught fire, you now see blue herons, sportfishing boats tied to new marinas, upscale riverwalk cafes sprouting up by abandoned steel mills. Once our symbol of national shame, it is now our symbol of hope and pride.

A river restored.

All across America.

These rivers are restored through an emerging movement. It is not a political activism directed outward at Washington nor at industry, but a hands-on activism directed inward at their own communities. Those communities do not fight in indoor federal courts, but on outdoor local streams. They use the Act to reclaim their heritage and their sense of place, reinvigortating where they live and what they stand for. They use the Act to do more that the bare legal minimum necessary.

Now, everywhere you look, you see children and old people, black and white, gather on the waterfronts to eat, work, fish, and play. Using the Clean Water Act, these people have resurrected dead rivers and bays. Restoring the waters that give a city, town or countryside its movement, life, and identity.

From Boise, to Boston, to Baton Rouge, you can see people celebrating how the Clean Water Act has been the most successful urban renewal law in American history.

But water is a reflective, almost magical force. When people gather to work or play on a river, something else happens: As our communities have begun to restore their waters, those waters, in turn, are restoring our communities.

2. Endangered Species Act:
America's Modern Covenant to Protect the Whole of Creation.

This summer President Clinton went to Yellowstone National Park, the first federally protected landscape in America. A spectacular place. But for all its beauty, for the past 60 years Yellowstone had been an incomplete ecosystem. By the 1930s, government-paid hunters had systematically eradicated the predator at the top of the food chain: the American grey wolf.

But one year ago, in January, 1995, under the authority of the Endangered Species Act, this government is paying to bring that predator back. Last winter Americans everywhere watched as Interior Department officials hiked knee-deep through the snows of Yellowstone, to hand carry the first wolves back into that wild landscape. America watched while the Endangered Species Act began to restore the natural cycle, to make Yellowstone complete, and above all, to make Creation whole.

More recently, I read an account of a Los Angeles "Eco-Expo" last April, where children were invited to write down their answers to the basic question: "Why save endangered species?"

One child, Gabriel, answered, "Because God gave us the animals."

Travis and Gina wrote, "Because we love them."

A third answered, "Because we'll be lonely without them."

Still another wrote, "Because they're a part of our life. If we didn't have them, it would not be a complete world. The Lord put them on earth to be enjoyed, not destroyed."

And I recognized as I read that, for the first time, that the Endangered Species Act is more than a great legal framework to preserve charismatic megafauna.

It is a moral act.

It is a code that reflects the religious values that we, as stewards, must have the wisdom and humility to recognize and protect all creatures, great or small, ugly or charismatic.

It is a code written by a nation of people who can look past their own, short term interests.

A nation that can look, as the children look, for moral guidance to the Old Testament, where Adam and his descendants are given "dominion" over every living creature, <u>not</u> so he can push them towards extinction, but so he can act as steward, to help "replenish the earth."

Or a few verses later, where our Creator establishes a covenant with Noah to protect "the whole of Creation, the clean and the unclean," and seals this "covenant with a rainbow in the sky."

Some members of Congress have forgotten these values. They have repeatedly introduced bills that gut our modern covenant, the Endangered Species Act. Their bills make room for extinction, and hand the power of life and death over a species to a human.

But on my watch, we will work to protect the whole of creation. On my watch, no politician will gut the Endangered Species Act. Because in my mind, the wisdom of elected officials simply does not outweigh the wisdom of our Creator.

DEPARTMENT OF HEALTH & HUMAN SERVICES

Office of the Secretary

Washington, D.C. 20201

MEMORANDUM

To: Kitty Higgins, Don Baer

From: Dan Porterfield, DAS for Public Affairs, HHS

Subject: State of the Union speech

Date: 12/21/95

Secretary Shalala mentioned two themes for the speech.

First, and most important, she believes the speech should be bold and visionary. The President should speak to the American people as citizens, and not simply as taxpayers. The speech should be about the future of our country, and about our obligation as Americans to protect the hard-won legacy of the 20th century while having the courage to address the new challenges of tomorrow.

This century we won two world wars and the Cold War. We met the challenge of Sputnik. We integrated our society and shattered glass ceilings. We built a strong safety net for children and transformed the experience of growing old.

How did this happen? At our best, we committed ourselves to bold and relentless progress. We put the common good and common ground first. And we moved forward in a true spirit of partnership -- with citizens, families, communities, and states all doing their part, and the national government helping and sometimes leading.

Today, this tradition has been placed under seige. There are some politicians and special interests who, under the misleading mantle of federalism, are really trying to abolish the partnership between the national government and its people. That may be an opportunistic campaign theme -- but it's be bad for the country. We need limited government -- not absent government.

Because we do have a national interest in ensuring that work pays in this country. In guaranteeing a quality education to every child. In making sure that seniors can see a doctor and poor children are able to eat. In keeping tobacco out of the hands of children and guns out of the hands of criminals. In preserving the freedom of parents to raise their children as they want. In opening new international markets for our products and preventing international anarchy when we can.

These are American values that define us as a nation -- and preserving and achieving them requires federal leadership. We have shown that leadership for three years. We have achieved truly national goals for all our people -- everything from lowering the homicide rate to lowering the welfare rolls; from

collecting record levels of unpaid child support to helping states increase the number of their citizens with health insurance; and from achieving the highest immunization rates in history to funding breakthrough discoveries against breast cancer and AIDS. This is good government, responsible government, limited government. We ought not give up on it.

Second, Secretary Shalala recommends that the President discuss the importance of a truly national partnership to help parents in the most important role any of us will ever: raising children.

The fact is, millions of parents are worried about the things their children are exposed to when they are outside the home: Alcohol. Tobacco. Drugs. Teen pregnancy. AIDS. Violence. As one parent said in The Washington Post, "I went from wanting my son to win the Nobel Prize to wanting him to survive."

Even as they worry about their children, parents are frustrated that they have less control than they would like. Many parents are working longer hours with less job security. They have less time to spend with their children. They're finding it harder to pay today's grocery bills while saving for tomorrow's college bills.

There are more families in which both parents are working. There are more single-parent families. There are fewer families that feel connected to strong, supportive communities. And there is more competition for their children's attention -- too often from influences like tobacco ads or glamorized images of drug use.

Secretary Shalala recommends that the President speak directly to the hopes, dreams and fears of these parents. As parents of a teenager, he and Mrs. Clinton deeply understand these concerns.

The President should tell America's parents that he stands with them. That's why he has taken on powerful interests -- the NRA, the media/entertainment industry, and the tobacco industry -- to put power back in the hands of parents. That's why he and his Cabinet have sent a clear and consistent message that it is illegal, dangerous, and wrong from children and teenagers to use drugs, alcohol, and tobacco. That's why he has led the fight for a private sector campaign to reduce teen pregnancy and lent his voice to the cause of AIDS prevention. That's why he has fought for young people in the budget battles -- gaining victories to ensure that summer jobs, drug free schools, and college loans are always there to give young people real options to say "yes" to. And that's why he has reached out to young people himself with a message of opportunity and responsibility.

Teenagers aren't just our national future -- they are our national present. They deserve safe passages, and we all must help them.

Thank you.

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20410-0001

M E M O R A N D U M

TO: Don Baer

FROM: Bruce Katz

RE: State of the Union Themes

DATE: December 21, 1995

Over past few months, the NEC has led an interagency process to generate ideas on community empowerment (in fact a principals meeting was held as recently as this past tuesday). From these and other meetings, there is widespread consensus emerging among the Cabinet and key folks in the White House and OMB that the essential elements of a community empowerment strategy are as follows:

- increasing access to capital for business development
- reclaiming abandoned land in central cities
- transforming public housing -- which includes demolishing the worst of the public housing stock
- reinventing the federal government's relationship to local governments -- i.e. decentralize and "put communities first"
- linking people to work

What these concrete policy elements have in common -- and what could be a vital part of a powerful State of the Union message, are the following community empowerment themes:

- putting communities first
- strengthening our central cities
- getting devolution and decentralization right
- insisting on reciprocity for government benefits
- asserting that the government has a vital role to play

Focusing on these themes is not only the right substantive approach to community empowerment, but it also has strong appeal to middle-class values -- as these themes focus on work, personal responsibility, private sector leadership and public service.

Following are suggestions for articulating these themes. Many of these are elaborated on in *Where We Live*, a document which outlines HUD's plans for its second stage of reinvention. You should have already received this report from the Secretary.

Put Communities First

Generating economic opportunities (good jobs) is important to our ability to compete and succeed in the global economy. But many people will not succeed in these turbulent times unless their community roots -- families, neighborhoods, schools, churches -- are strong. To best help families thrive, we must first focus on strengthening our communities for the 21st century.

That means recognizing two realities: First, that our national well-being rests on the health of our communities; and second, in an era of budget belt-tightening, we need a laser-like focus of federal resources on meeting community needs -- maximizing those resources by building partnerships among local governments, businesses, non-profits and state/federal governments. In particular, it's right for the President to challenge the private sector, especially the business community, to take an active partnership role in fixing our most distressed communities. Facing the new century, we must ensure that all our actions support the foundations of economic and civic health, uplifting mainstream values. (Offer a Covenant with America's Communities).

Strengthen Our Central Cities

Focus on the importance of central cities -- and their links to the larger metropolitan area -- as the anchors of America's economy. Our national economy is increasingly a system of metropolitan regional economies which need economically vital central cities to thrive. The destinies of metro areas are tied to the performance of their cities; while some suburban residents may want to ignore the plight of cities -- and don't see it as connected to their lives -- we can't afford to abandon these engines of economic growth and must find ways to reinvest.

Decentralize with a Vengeance

If we are going to really put more power into people's hands to shape their destinies, we need to push federal programs to the front-lines, past state bureaucracies and into effective and flexible partnerships with communities. Block granting to states is short-sighted and will be ineffective; a real community empowerment strategy would radically restructure federal agencies to make them focus on building safe, strong and hopeful communities, not on enlarging Washington bureaucracies. (That means any community empowerment strategy we propose should extend federal reinvention to the federal government's relationships with

States and local communities).

To really decentralize, we must trust and listen closely -- and then help empower -- the people in the trenches -- parents, teachers, law enforcement, community leaders, social workers, shop owners and church leaders. As we pursue this kind of dramatic decentralization -- for the first time in decades -- we must also find the common sense balance between cutting communities loose with no federal help and strangling them to death with federal regulations and red-tape.

Insist on Conditionality

Americans, and often many poorer inner city residents, understand and support the balancing of rights and responsibilities. This acknowledgement of reciprocity in acceptance of society's benefits has led to a readiness to accept stricter personal and moral conditions on program benefits. Our society -- especially inner city residents -- is prepared to go a good deal further than many might expect in accepting the discipline of work, service and responsibility. This framework can, and should, be applied much more broadly than welfare reform.

The right to a good education means kids must do their homework and parents must hold their children accountable (and help out). Having safe streets mean community residents must work closely with local police. Program examples: Getting a job and work skills in a HUD lead-paint abatement program means that single fathers accept responsibility to attend pre-natal and pediatric appointments, complete a curriculum on fatherhood and participate in a support group. A public housing addiction recovery program assists single mothers if they pledge to stay away from drugs, go without TV, help their children with homework and keep their apartments clean.

"We Can Do This"

Americans are ready for someone to confront their pervasive feeling that nothing works and that none of the efforts we make at solving our most intractable national problems make a difference. Many still believe that government has a vital role to play in solving our national problems, but they're not confident of the federal government's ability to make programs work and deliver results. In addition to substantive reinvention efforts, the words "we can do this" are critical to our national sense of optimism and hope. People know that our major social and economic problems -- especially those in our urban areas -- are profoundly complex , but they also know these problems are not going to go away, and they're ready for strong leadership to tell them that we can overcome our challenges and show the way towards what's already working.

THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

December 21, 1995

MEMORANDUM

TO: Kitty Higgins
Don Baer

FROM: Federico Peña

RE: Themes and Messages for the State-of-the-Union Address

You asked for my recommendations concerning potential themes and messages for the President's upcoming State-of-the-Union address.

The four-prong message the White House has been using (Leadership/Family/Opportunity/ Common Ground) has proven very effective indeed. I believe the element of Family -- particularly the view of broader family or community typified by Americans' support for victims of Oklahoma City and the many natural disasters that have occurred in recent years -- should particularly be emphasized.

Within each of these overall themes, however, we believe the State-of-the-Union should highlight another aspect of Administration policy -- "Keeping Promises." At base, voters are dissatisfied because they see a disconnect between the promises of political candidates and campaigns and the actual execution of government policy. It is particularly important to address this concern as we move into this next year. And we have a terrific story to tell -- promises kept that don't receive much attention in the conflict-focused national media. (An effective variation on this theme is to contrast talk -- especially from members of Congress and the rest of the Washington establishment -- with real change-oriented action.)

The revitalization of America's economy was the central theme of the President's 1992 campaign, and the results are plain. As part of this core message, the President also emphasized the importance of "Rebuilding America" to compete economically. Here, too, we have some real achievements worth highlighting. Several from the transportation world are outlined below, using speech-style rhetoric to illustrate how it might work.

REBUILDING AMERICA

In 1992, I saw the way our Nation's transportation system -- highways, bridges, railroads and ports -- affect Americans in their everyday lives. Vice President Gore and I traveled much of the country in buses, talking to all kinds of people -- at a truck stop in Carlisle, PA, along U.S. Highway 51 in Sandoval, IL and in countless towns along the highways. During our first bus trip, from New York City to St. Louis, Mo, I made a commitment to rebuild America. I'm proud to say my Administration has done just that. We've invested more in highway and bridge construction than any comparable period before -- more than $40 billion. This means faster, safer travel for the American people.

But we've also done something more, because we know: it's not how much you spend, but how you spend the public's money. So we've worked hard to make better, more strategic investments -- to get more bang for the buck -- and to get the private sector to invest more. I'm proud to say that by cutting red tape and giving state and local government more flexibility, we've managed to jump start $2 to $3 billion worth of construction projects that otherwise never would have happened at all -- and without using any additional Federal funds. We've also built public-private technology partnerships like the one for Interstate 75 where high-tech transponders and micro-chips mean big rigs roll safer and more efficiently from Florida to Michigan, and cut millions of dollars in delivery costs.

The improvements to our infrastructure help us to move people and goods more quickly, so Americans can spend more time at home with their families and so we can solidify our position as the most dynamic economy in the world.

AVIATION

One of the first things I did when I came into office was to appoint a special Commission to look into the condition of the airline and aerospace industries. These industries, in which America had always led the world, were on the a tremendous downswing. The industry lost $10 billion in 1990-92 and suffered as major carriers like Eastern and Pan Am went bankrupt.

Today, the airline industry is in the midst of the transportation turnaround of the decade, thanks in large part to the work of that commission and this administration's economic policies. I am proud to tell you that our major carriers earned over $2.1 billion this year -- record levels, for many of them -- and not a single one is in bankruptcy. In fact, there are more new companies entering the aviation business than ever before. This means more jobs -- for people who build airplanes and work in airports, for example -- and it means better, cheaper airline service for all Americans.

Part of this success has been opening up new foreign markets for our airlines. In the past three years, the Administration has negotiated 28 new bi-lateral aviation agreements, including 10 "open-skies" agreements with European nations, a Canadian accord which has led to a 25

percent increase in service, and Asian treaties which will form the critical transportation links to these key emerging markets for our cargo and passenger carriers.

MARITIME

As a candidate, I visited this country's docks and shipyards and met with many of the tens of thousands of shipbuilding workers who had lost their jobs. I called attention to this national tragedy. And in San Diego, CA I pledged to help turn the industry around.

We came through. In 1993, the administration launched a five-part National Shipbuilding Initiative. Since then, there has been a tremendous industry resurgence. Given the tools and a level playing field, I knew that the workers in Mobile, Alabama and Newport News, Virginia could compete globally, and we've helped put them back in business building ships. My Administration's loan guarantee program has helped these and many other shipyards to completely modernize so they could compete with the Europeans and the Japanese. In 1995, the program paved way for construction of 36 commercial vessels and $502 billion worth of business in American shipyard, creating thousands of new jobs. One of my proudest moments as President came when one worker from the San Diego shipyard who had come to Washington to participate in the announcement of our shipbuilding initiative said to me: "Thank you, Mr. President. We're used to politicians forgetting about us after the campaign. You didn't, and you came through." [Note: this is a paraphrase; exact quote to be checked.]

DEPARTMENT OF ENERGY
Washington, DC 20585

OFFICE OF THE SECRETARY

December 22, 1995

MEMORANDUM FOR Steve Silverman

FROM: Mark Fallon

SUBJECT: Themes and Messages for the State of the Union

Ensuring a Safer World for Our Children By Reducing the Nuclear Danger

- The President promised in his September 27, 1993 speech to the United Nations to make nonproliferation one of our Nation's highest priorities.
- ***We have delivered on this promise by:***
  - Extending the Comprehensive Test Ban Treaty.
  - Securing nuclear materials and expertise in the Former Soviet Union.
  - Limiting the production and spread of fissile materials.
  - Controlling nuclear exports.
  - Making nuclear reduction more reliable and transparent.

Building a Stronger Economy Through Federal Investment in Science and Technology

- Federal investment ensures U.S. preeminence in science and technology and provides the competitive advantage that American industry requires to compete in the global market.
- All four of this year's Nobel Prize winners from the United States were supported or employed by the Department of Energy and have contributed immensely to areas such as environmental science, chemistry and high energy physics.
- Over 60 Nobel Laureates have been supported by the Department of Energy alone.
- The Department can provide numerous examples of technologies developed with Federal support that have succeeded in the market place.

UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF THE SECRETARY

December 22, 1995

Memorandum to Steve Silverman

From Frank Holleman FH

Attached are Secretary Riley's ideas for the State of the Union speech. Attached are: (1) a two-page summary; (2) a three-page elaboration on the themes; (3) a two-page document that explains why education is a national concern today; and (4) a three-page document entitled "Why Federal Educaton Funding is Important." The last two documents are included as background materials and contain important polling data, educational statistics, issue descriptions, and education message materials.

Let us know if you need anything more.

456-6704

Department of Education December 22, 1995

Thoughts on 1996 State of Union Speech

Major Themes: Continue major theme of "opportunity and responsibility"

1. Increase Emphasis on responsibility

- o Responsibility to others, to society, to America
- o Taking advantage of opportunity requires hard work
- o Use concepts such as performance, accountability, standards, respect for others, discipline.

2. We are emerging into a new post cold-war, post balanced-budget era. We need to position America to be a strong democracy and economy in a diverse society with constrained spending.

- o Smaller, more responsive and efficient government
- o Focus on selected national purposes -- to support good citizenship and economy: Quality schools, clean water and air, healthy youngsters, safe streets and schools.
- o Performance Partnerships with states based on national purposes.

3. Provide leadership to address fundamental stresses and strains in society:

- o racial tensions
- o income inequalities
- o responsible role for youth who are not going on to college

4. Invest in Education: New Federal K-12 role based on leadership and high standards

- o Reaffirm national purpose of public schools -- to promote citizenship and create the public as well as serve the public.
- o Performance partnership with states around high state standards, local responsibility and flexibility with accountability.
- o National leadership through voluntary national standards, support for citizenship and service in schools, putting technology to use, and charter schools.

5. Invest in Education: Insure access to at least two years of college for all prepared high school graduates.

- o Scholarships based on merit for top two percent of all graduating classes.
- o Strong direct lending program with income contingent repayment allowing graduates to take low paying, service

oriented jobs.
o Increase responsibility through greater work-study opportunities.
o Reduce regulations for schools with strong administrative records.

6. Face issue of work for non-college going youth. "More recently he has proffered the wisdom that instead of simply yelling a the unskilled underclass to get off their duffs and go to work, we might spend some thought seeing to it that there is some entry-level work for them to do -- some modern-day equivalent of the factory." (WM Raspberry paraphrasing Hugh Price. WPost 12/22)

Other Thoughts on 1996 State of Union Speech:

Beginning to fleshing out some of the Themes

Emerging new federal role in post-cold war post-balanced budget era: Requires a new vision -- not a highly regulated government or the fragmented, rudderless vision of the Republicans. Government will be smaller, more responsive.

o Need **bold federal leadership** in critical areas of national purposes and responsibilitiesd -- clear direction in those domestic and international arenas required to keep our democracy and economy strong and to ensure "domestic tranquility."

o **Performance Partnerships around national purposes:** Structure around clear standards of **performance** rather than conformity with process: Get incentives straight -- support and reward progress, quality, innovation, and hard work; emphasize responsibility; exercise accountability when progress is not forthcoming.

o **Tight budgets with new resources created by economic growth targeted to national priorities and a different way of doing business.**

o **Key national priorities** -- all where state and local governments are critical -- but where our national livelihood is at stake: To build a strong nation we need:

* **Strong schools that prepare all of our youth to be productive and involved citizens with good jobs** through solid basic skills, high academic standards, and clear rules of conduct with consequences for mis-behaving.

* **Clean water, clean air ....**

* **Healthy youngsters ...** Basic safety net.

* **Safe streets, communities and schools ...**

Education: A different Federal Role based on leadership, vision, identification of national purposes

o **Reaffirm fundamental national purpose of public schools** -- public schools do not only serve the public, they create the public.[1] Public schools are necessary to prepare our students to live and work in a challenging and internationally competitive democracy and economy.

o To meet this purpose public schools must prepare students to meet **rigorous academic and occupational standards and** to participate as **Americans** in our diverse democratic society. **High academic standards as well as the basics, a safe and disciplined environment, well trained teachers, local flexibility and charter schools, occupational training for high paying jobs, support for all prepared students to attend college -- these are the ingredients of an effective education strategy. Clinton priority programs will help make this happen.**

o A strong nation needs a strong school system -- while we have a long way to go the nation is beginnning to move **in the right direction**: achievement is up in math, science and reading, 4 times as many advanced placement courses taken than in 1980, standards are having great effect in Maryland, NYC, KY and other states and communities throughout the nation.

o The **federal government is beginning to move in the right direction** -- put into place strong programs in support or state and local reforms for all students, reduced programs by over 70, reduced regulations in elementary and secondary education by over 75%, implemented large scale waiver program for the first time.

o **At Elementary and Secondary level continued national leadership is necessary** to make performance count. The need for increased national efforts is greater than ever as the school population will see a tidal wave of new students (over 20% increase) over the next decade to the highest levels ever.

- **Support state and local reforms for challenging standards** through Goals 2000 and School to Work.

- Strong **Presidential and Secretarial support** for **voluntary national standards** to help guide and challenge our schools. Strengthen National Assessment of Education Progress to give us regular performance feedback on our national and state efforts. Give public clear

[1] See recent Neil Postman book The End of Education.

expectations about what is high quality, internationally competitive work.

- **Promote flexibility and accountability for results:** Establish a system of **performance partnerships** with states to give **incentives to states with improved achievement** -- waive all federal education laws and regulations except civil rights laws and IDEA for states that have deomonstrated improved achievement. In consultation with MD and other states to implement this plan.

- **Presidential and Secretarial support** for increased attention to **citizenship** in our schools -- public service, saluting the flag, clear guidelines for religious activities ...

- **Technology** -- public, private partnership to put computers to use **in every classroom in the nation** by the year 2000 -- wire all schools to the world wide web -- and train all teachers to use computers to enhance student opportunities to reach high academic standards.

- Provide strong incentives for the development and initial implementation of **charter schools** throughout the nation.

o **At Post-Secondary level: Insure financial access to college for all deserving high school graduates.** Simplify and strengthen other student assistance programs. (Could propose IRAs for college use -- Laura Tyson's plan: This would be expensive but powerful!!) Alternatively:

- Establish $1000/year scholarship based on merit for up to two years for the top two percent of all graduating students in every secondary school in the nation (grade point average) for use in the college of their choice. 60,000 students per year cost up to $120 million in the second year (when 120,000 students would have received awards).

- Increase Pell grants, the heart of the financial aid programs, to $3128 by 2002!!

- Continue to have a strong Direct Loan program.

- Increase work-study by 50% phasing in over five years.

- Reward schools with strong records in administering student aid with dramatic reduction in federal regulatory requirements.

DRAFT 12/18/95

Connecting Education As A National Concern to Local Action and Support

*1. **Given the long American tradition of local and state control, are education and its funding a national or federal concern of the public? Examples from recent polls show strong support:***

* 81% oppose decreasing federal education funding to decrease the federal deficit; 19% would favor (Times Mirror, 1994).

* 75% said federal aid to education should be expanded; 18% said "keep same"; and 4% said "cut back" (Gallup, 1995).

* 80% of Americans think the federal Department of Education is necessary; 70% say "very necessary" (NBC/Wall Street Journal, 1995).

* 76% disapprove of reducing federal funding for low-income schools to balance the federal budget; by comparison, 61% disapprove of cutting the rate of spending growth for Medicare; and 36% oppose cutting food stamp funding (Times Mirror, 1995).

* 74% of Republicans in New Hampshire (10/25/95), said "no" to cuts in education to reduce the deficit as compared to 62% "no" to Medicare cuts; 33% "no" to defense cuts; and 43% "no" to cuts in assistance to the poor.

* By almost 2-to-1, young voters (18-34) cite education as a top voting issue over the budget deficit, crime, and Medicare (NBC, Wall Street Journal, 11/2/95).

However, citizens clearly don't want micromanagement of detailed programs from the federal or state levels, but they do want accountability and want to reduce waste and red tape. They like encouragement of community-based solutions and local partnerships. They want all of us to work together on needed educational changes to reflect the changed realities of American society and the demands of today's and tomorrow's workplaces.

*2. **What is the overall message on education that connects with local citizens?***

Celinda Lake has a framework that captures this well. Combining her findings with several others gives a good general message about needed focus and attention.

* Quality education is absolutely necessary not only to the future of our children and our families but to the future of America. A good education is certainly essential to each citizen for full participation in the changing economy, but a well-educated citizenry is also essential to our country's democratic way of life. As a nation, we have a stake in giving our children a solid foundation to make the most of their lives and to be productive, responsible adults.

  In addition to academics, a quality education is one that stresses discipline, hard work, respect and responsibility where guns, violence and drugs are not present. We need to set the highest standards in education and we need to make this a national priority. Parents should have the choice of public schools or charter schools to escape poorly run or disorderly schools. Schools should not allow hostility to religion or to good citizenship.

HeadStart, strong teacher training, extra help in the basics, getting computers in the classroom, and streamlined college loans are fundamental to helping our children get started on the right course. Along with better financial aid for college, providing specialized courses for career preparation with work-study experiences is also important.

We should be making all of these initiatives better, not cutting them back. They are essential to a strong economic future for our children and our families, and to our ability to compete in an international economy to bring us together as Americans.

Recurring critical issues:

* safe, disciplined, and drug-free learning environment.
* promoting parent involvement.
* rigorously teaching the basics.
* getting quality teachers and upgrading teacher skills.
* setting high standards of discipline and achievement.
* getting computer technology into the classroom as soon as possible.
* access to student loans and financial aid for college.
* teaching and connecting young people to real life skills that prepare them for adulthood, careers, and college.

3. ***What are any opportunities to address these issues locally?***

a. The proposed reconciliation and appropriation bills by the "new" Congress cut the very education areas people support the most. In fact, the public wants to improve and expand them. However, most people do not know about the cuts nor what to do about them. Showing direct impact on local schools, colleges, students, parents and teachers can make this a real and very important local issue.

b. Citizens like to see local parent-teacher, business-school, and community-school partnerships that are solving education problems faced by real families and students. Many of the changes in new education legislation passed by the last Congress are beginning to create, and will create, new opportunities for building and expanding local partnerships and community-based solutions to solve the very education issues of most concern to the American public: *school-law enforcement partnerships through the Safe and Drug-Free Schools Act; school-community partnerships for educational excellence through the Goals 2000: Educate America Act; school-employer-community college partnerships through the School-to-Work Opportunities Act; school-parent compacts through Title I of the Elementary and Secondary Education Act; school-college partnerships through TRIO; and college student-direct financial aid through Direct Lending. Highlighting these partnerships solving the above critical issues shows leadership for effective change.*

Why Federal Education Funding Is Important

The Federal government plays a critical role in education. The most important contributions are:

1) **raising standards of achievement**

2) **improving basic skills of disadvantaged children**

3) **ensuring safe and disciplined schools**

4) **helping families pay for college**

5) **preparing youth for the world of work.**

The public overwhelmingly supports education, including the Federal role:

- 81 % oppose decreasing Federal education funding to decrease the federal deficit; 19 % would favor (Times Mirror, 1994).

- 75 % say federal aid to education should be expanded; 18 % say "keep same;" and 4 % say "cut back" (Gallup, 1995).

- In response to strong public demand and the outcome of the 1995 state election, Virginia's Governor George Allen this month submitted a new budget which substantially increases state expenditures for classrooms, technology, and higher education.

- 74 % of Republicans in New Hampshire say "No" to cuts in education to reduce the deficit as compared to 62 % "No" to Medicare cuts; 33 % "No" to Defense cuts; and 43 % "No" to cuts in assistance to the poor (10/25/95).

- By almost 2 to 1, young voters (18 to 34) cite education as a top voting issue over the budget deficit, crime, and Medicare (NBC/Wall Street Journal 11/2/95).

- 76 % of Americans disapprove of reducing Federal funding for low-income schools to balance the Federal budget; by comparison, 61 % disapprove of cutting the rate of spending growth for Medicare; and 36 % oppose cutting food stamp funding (Times Mirror 1995).

The Department of Education addresses critical areas of National concern, including:

- Provides $32 billion in financial aid to help 6.5 million students attend college.

- Through Title I grants to local school districts, provides $7 billions to more than 6 million

students each year in the highest poverty schools to improve basic and advanced skills.

- Provides $3 billion a year to help communities meet the special needs of over 5 million children with disabilities to prepare them for further education and employment.

- Helps communities and States raise standards of student achievement, prevent drug abuse and violence in schools, and build partnerships to get computers and technology in classrooms.

- Assists States in helping youth move from school to careers.

Education works:

- Greater prosperity. In 1992, average annual earnings for those with a bachelor's degree were 74 % higher than for those with a high school diploma, and 155 % higher than for those who had not graduated from high school. Also, a student who graduates from high school earns $200,000 more during his lifetime than a student who doesn't. A college graduate earns $1 million more than someone who doesn't.

- Less welfare. Only 5 % of college graduates have ever participated in government assistance programs (AFDC, Supplemental Security Income, food stamps, housing assistance, or Medicaid), and only 10 % of high school graduates have, compared to 24 % of high school dropouts.

- Less crime. Although only about 18 % of the population has never finished high school, this group accounts for 41 % of state prison inmates and 47 % of prisoners on death row.

- More civic participation. Fully 85 % of college graduates and 75 % of high school graduates, but only 50 % of high school dropouts, are registered to vote.

Education programs work:

- The Rand Corporation found that the Title I program helped to close the achievement gap between disadvantaged students and their advantaged peers (from 1970 to the mid 1980's, the learning gap in reading, mathematics, and science was cut by over a third--NAEP). Bipartisan reauthorization in 1994 focused on improving the program to challenge low-income students to high standards to help continue closing the gap.

- The dropout rate is declining (from 14 % in 1982 to 11 % in 1993) , fewer students are taking remedial math courses, more students are taking advanced placement courses (150,000 in 1982, 450,000 in 1992), and the science test scores of both the highest- and the lowest-performing students are increasing.

- Comprehensive standards-based reforms, such as those supported by Goals 2000, in leading-edge states are showing impressive gains in student performance, such as in Kentucky, where 4th, 8th, and 12th graders demonstrated dramatic improvement on 1993-94 assessments over previous years' tests in mathematics, reading, science, and social studies.

- IBM Chairman Lou Gerstner, for example, says that "Goals 2000 is only a small portion of what we need. But it is a very critical portion because it is the fragile beginning of the establishment of a culture of measurement standards and accountability in this country. We must go beyond Goals 2000. But if we lose Goals 2000, it is an incredibly negative setback for the Nation.

- Goals 2000 has received widespread support because of its flexibility and its emphasis on high standards and accountability. The Wall Street Journal has reported that Goals 2000 is viewed "by many political analysts as the most flexible education plan ever produced by the Federal government." (WSJ 8/30/95)

- The New York Times reports that tougher graduation requirements in New York City public schools are spurring thousands more school students to take and pass college preparatory mathematics and science courses (5/9/95). Entering freshmen at CUNY are the best academically prepared in two decades (12/10/95).

- Increases in special education funding have contributed to major educational gains in children with disabilities, who now have opportunities that were unavailable before enactment of the Individuals with Disabilities Education Act.

- For 5 years, Maryland has been working systematically to raise academic standards and is showing significant improvement in achievement as a result.

THE SECRETARY OF VETERANS AFFAIRS
WASHINGTON

Facsimile Cover Sheet

To: LeeAnn / Helen
Company: Cabinet Affairs
Phone: _____
Fax: _____

From: HAROLD GRACEY
Company: VETERANS AFFAIRS
Phone: 273-4808
Fax: 273-4877

Date: 12/21
Pages including this cover page: 4

Comments:

SECRETARY BROWN WILL BE AT HIS MOTHERS IN CHICAGO OVER THE HOLIDAY - Phone 312-493-48e ~~FAX 312~~ - I WILL BE AT HOME (301) 253-0161 or FAX (301) 253-4904 IN EVENINGS - AT WORK THROUGH-OUT HOLIDAYS DURING BOSINESS HOURS. ATTACHED IS FACT SHEET AS BASIS FOR STATE-OF-UNION REAL STORY IS ① CLINTON RECORD ON VETERANS & ② VETERANS ARE ONE OF PRESIDENT'S CORE VALUES - PRIORITIES. NO PRESIDENT HAS GIVEN VETERANS THE ACCESS, ATTENTION & PRIORITY THAT PRES. CLINTON HAS

Administration Accomplishments Serving Veterans

National Performance Review

• President Clinton ordered the National Performance Review of the federal government. This intensive study by the Vice President is making the federal government work better and cost less.

• NPR initiatives will improve services to veterans, simplify complex veterans' health-care eligibility rules so VA physicians can provide a full range of medical care to every patient in the appropriate setting, and save $209 million over five years.

• The Administration sent to Congress a plan to reorganize VA's national health-care system under 22 patient-centered service networks. This decentralization of decision making and resource allocation will deliver more care more efficiently to veterans and position VA for full integration into a reformed, 21st century health-care environment.

• A related proposal will simplify current means testing used to determine access to and cost of VA care for nonservice-connected veterans. A 93-question form, for example, will be replaced by a significantly less complicated questionnaire.

• NPR initiatives propose that veterans otherwise not entitled to VA care use their Medicare benefits to reimburse VA and that VA be allowed to retain a greater portion of the money collected from third-party insurers for treating nonservice-connected veterans.

• Through NPR reinvention efforts, VA will step up consolidation, automation and competition in obtaining services such as laundry, housekeeping, food preparation, transportation, canteen, security police, construction management and cemetery headstone application processing.

• The Administration is seeking a $1.3 billion increase in VA's fiscal 1996 budget, $1 billion of which is targeted to VA's health-care system, which will enable VA to provide medical treatment to an additional 43,000 veterans, construct two new hospitals and three nursing homes, and make a number of facility improvements.

Persian Gulf Veterans Assistance

• President Clinton established a Persian Gulf Advisory Committee, which will review the hazardous elements in the Gulf region and all governmentwide activities to respond to the needs and concerns of Persian Gulf veterans.

• The President fought for a law that permits VA to pay compensation benefits, pending research results, to chronically disabled Persian Gulf War veterans with undiagnosed illnesses. The first checks have already been presented to Persian Gulf veterans.

• Environmental hazards research centers were established at three VA medical centers with an initial focus on the possible health effects of environmental exposures of Persian Gulf veterans. The centers supplement other research VA is conducting on the possible health effects of Gulf service.

Agent Orange and Radiation

VSO Visibility on Issues

• Secretary Brown announced the appointment of the executive director, Chief Minority Affairs Officer staff, with the goal of assessing VA's delivery of services to minority-group veterans.

• A toll-free number was established for veterans and their dependents to inquire about VA's headstone and grave marker program.

• Secretary Brown issued a decision, on behalf of the Administration, that Vietnam veterans suffering from respiratory cancers (lung, larynx and trachea) and multiple myeloma (a cancer involving the bone marrow) should be awarded disability payments based on presumed exposure to Agent Orange and other herbicides.

• Presumptive service-connection for disability compensation was established for veterans who experienced full-body exposure to mustard gas and Lewisite.

• VA plans to undertake a survey of the health status of submariners and airmen who may have received radium treatments in military service.

• VA is providing information on radiation research that may have involved human subjects to the Advisory Committee on Human Radiation Experiments, a committee established by the White House and made up of non-government scientists, physicians and ethicists. VA Secretary Jesse Brown had ordered a nationwide medical records search on nuclear medicine and radiation research that may have been conducted in VA facilities years ago.

• The Administration supported enactment of a law extending disability compensation to U.S. veterans who suffer from conditions that may have resulted from radiation exposure in atmospheric nuclear weapons tests conducted by other countries.

• VA published rules in the Federal Register that establish presumptive service-connection for Hodgkin's disease and porphyria cutanea tarda (PCT), a liver disorder, based on exposure to Agent Orange and other herbicides.

• The White House has conducted extensive outreach to the veterans service organizations, resulting in greater access to the Administration on a broad range of domestic policy and foreign policy issues. Veterans service organizations have participated in more than 80 significant White House activities and meetings on such subjects as POWs/MIAs, health-care reform, the reaffirmation of veterans' preference, Vietnam, Haiti, employment of people with disabilities and VA's budget. VA also has involved veterans service organizations in the department's decision-making process at an unprecedented level.

August 1995

December 21, 1995

MEMORANDUM FOR DON BAER, KITTY HIGGINS AND MICHAEL WALDMAN

FROM: LORETTA UCELLI, EPA

SUBJECT: SUGGESTIONS FOR STATE OF THE UNION THEMES AND MESSAGES ON THE ENVIRONMENT

A memo is attached that I thought might be helpful to you in developing themes and messages for the State of the Union. (This is a memo you have seen before on weaving together environmental protection, public health and American values.)

Please call me or Melissa Bonney at 202/260-9828 if you have questions or would like more information.

DEC-22-95 16:50 FROM:EPA/ADM OFFICE ID:2022600279 PAGE 2/5

October 2, 1995

MEMORANDUM FOR ERSKINE BOWLES, THE WHITE HOUSE

FROM: LORETTA UCELLI, EPA

SUBJECT: VALUES – PUBLIC HEALTH, SAFETY AND THE ENVIRONMENT

Few issues are as basic to American values and the American way of life as protecting public health and the environment. Healthy air to breathe, clean water to drink, and safe land to live on are fundamental to the American quality of life. Intertwining public health and environment issues with the themes of responsibility and family clearly conveys a strong values message.

The following points weave together environmental protection, public health, and American values:

- ***Strengthening families:*** Protecting our environment is not simply about taking a beautiful picture on vacation. It is that and more. It's about protecting where we live and how we live. It's about clean water to drink, fresh air to breathe, land that is safe to live on. It's about the quality of daily life that Americans are proud to call our own. Protecting our environment means protecting our health – the health of our communities, the health of our families, the health of future generations.

- ***We have taken responsibility and achieved common ground:*** In the past 25 years, places that were symbols of environmental degradation have been cleaned up. They are now symbols of pride -- symbols of what Americans can do when we join together to meet challenges.

  In 1969, the Cuyahoga River in Cleveland was so polluted that it caught on fire. Today, that river is a symbol of pride and progress. It has been cleaned up and people swim and fish in it. It is a vital part of the Cleveland community and quality of life.

  Not so long ago, in Pittsburgh, people used to turn on their headlights in the middle of the afternoon because the air pollution was so bad. Today, Pittsburgh skies are clearer.

DEC-22-95 16:50 FROM:EPA/ADM OFFICE ID:2022600279 PAGE 3/5

Over the past 25 years, Americans of both parties have united in the firm belief that to safeguard public health, we must protect our air, our water, and our land. Six Presidents and Members of Congress from both the Republican and the Democratic Party have strongly maintained that government has a responsibility to protect public health by protecting the environment we all hold in common. This bipartisan effort has resulted in tremendous public health and environmental progress -- progress that must not be rolled back.

> As President Nixon said in 1970 when he signed the Clean Air Act into law, "1970 will be known as the year of the beginning, in which we really began to move on the problems of clean air and clean water and open spaces for the future generations of Americans."

- ***Roll back the progress of the last 25 years:*** Now, Republicans are stopping the progress of the last 25 years -- they say we have done enough to protect our air, our land and our water. But the job is not done. We cannot declare that our responsibility has ended, our job is done, our commitment can waver. Our commitment cannot waver. The job is not done. The responsibility is still ours -- to manage responsibly the natural resources that we all share and are so essential to our lives.

- ***Responsibility to future generations:*** What we do with the world God has given us says a great deal about who we are and what we believe in. We must take seriously our responsibility to protect our environment -- only then can we pass on to our children a safe, healthy and prosperous country.

- ***Protecting the American quality of life:*** We must continue to protect the American quality of life.

  When we hear that hundreds of thousands of people have fallen sick from drinking the water that comes out of their tap, we think -- "Not in America." But it did happen in America -- in Milwaukee, in 1992, and 100 of those people died.

  When we hear that an elderly person is told she had better not take a walk around the block in the city where she lives because the air pollution is so bad she might get sick -- we say, "Not in America."

  With all the problems people have to worry about, a mother should not have to worry about her child climbing over a fence into toxic waste that was dumped there 20 years ago. "Not in America." But contaminated property is sitting right in the middle of thousands of communities, with a fence around it. In Florida not long ago, two boys climbed into a trash bin where toxic waste had been dumped illegally, and they died -- right here in America.

DEC-22-95 16:51 FROM:EPA/ADM OFFICE ID:2022600279 PAGE 4/5

Clean water to drink, healthy air to breathe and safe land to live on are vital elements in the quality of life that Americans enjoy. When we roll back our ability to protect those things that we hold in common, we are essentially rolling back the American quality of life.

- ***America the beautiful -- for future generations:*** One of our nation's most beloved anthems is "America the Beautiful," the song that praises our spacious skies, our fruited plains, our purple mountains's majesties -- all the bounty that we have been given by the grace of God. It is our responsibility to ensure for future generations those spacious skies and fruited plains are more than just words in an old song.

- ***Leadership***: Presidential leadership is the last line of defense for Americans. It is the force that stands between the American people and Republican attempts to roll back the past 25 years of public health and environmental protection.

I hope this is helpful. If you have questions or would like more information, please call me or Melissa Bonney at 202/260-9828.

CC: Gene Sperling
Michael Waldman
Steve Silverman

DEC-22-95 16:51 FROM:EPA/ADM OFFICE ID:2022600279 PAGE 5/5

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF NATIONAL DRUG CONTROL POLICY
Washington, D.C. 20500

December 21, 1995

MEMORANDUM FOR KITTY HIGGINS

FROM: **ROBERT WASSERMAN**
CHIEF OF STAFF, ONDCP RW

SUBJECT: **State of the Union Themes and Message**

The following are suggested themes and messages from staff for the State of the Union speech, as requested in your recent memorandum.

As we move closer to a new century, we as Americans can once again be proud that we are the world leader in the promotion of peace and democracy. As the world changes around us, we must continue to provide that leadership necessary to provide for a safe and secure world, both at home and throughout the world.

In the last year, we have seen that hope come to fruition in far off places, such as the Middle East, Haiti, Northern Ireland and Bosnia; places that have known only despair, death, and destruction in the past. America's leadership in the world community has provided peaceful stability to emerging nations, nuclear disarmament, economic growth, free trade, environmental cooperation, and most importantly, hope for the world's children. World leadership translates to Americans sleeping a little easier without the fear of global war. It translates to more jobs. It translates to a stronger economy. It translates to hope for tomorrow.

In the United States, our priorities must remain maintaining a strong economy, eliminating the threat from drugs and crime and building a strong basis for our children's future. As we move forward to balance the budget and reform government to reflect our newly emerging priorities, we must not forget those who are less fortunate than others and vulnerable.

A strong America means an America free from the threat of drugs and free from crime in our communities. We have seen substantial progress in crime, especially in those communities that have adopted community policing. And while drug use in America has remained flat, we must focus our attention on the alarming increase in adolescent drug use, to get the message to parents and to their children that a productive America can only be an America in which every child and adult rejects drugs. Our lives are worth far too much to waste them away under a cloud of drugs.

We must make government work more efficiently. We must balance the budget. But we have to do it intelligently and compassionately. Let us not forget those less fortunate than us. Let us not forget our parents and grandparents. Let us not forget the disabled. Let us not forget our children. We cannot with good conscious arbitrarily cut programs that provide safety, security, education, and health care to those less fortunate than ourselves.

Indeed, the focus of our efforts must be to continue to provide leadership not only at home but in the world community so that all of our children will have hope for a better tomorrow; a world with a safe environment, with health and safety for all.

DRAFT
NOT FOR DISTRIBUTION

General Talking Points
October-December, 1995

Philip Lader, Administrator
U.S. Small Business Administration

- There are four major themes to focus on in press interviews: Leadership, Family, Opportunity, and Common Ground.

1. Leadership: Presidential Leadership that Makes a Difference

- President Clinton is standing up for America. The President is fighting to open overseas markets to American goods.
  - His leadership on the trade front has led to an unprecedented export boom here at home--creating hundreds of thousands of high-paying jobs in small businesses and big businesses alike.
  - The growth in merchandise exports since President Clinton took office has been stunning. In 1993, exports grew 4 percent. In 1994, 10.2 percent. This year, exports are up by more than 16 percent.
  - And exports mean jobs. President Clinton's leadership on the trade front has led to the creation of 1.6 million export-related jobs over the first three years of this Administration.
  - And because the Clinton Administration led the fight in forging trade agreements, we ensured that the agreements were shaped on America's terms.
  - At the SBA, we are actively promoting American small businesses in foreign markets.
  - As a member of the **Trade Promotion Coordinating Committee**, I work with other Cabinet officers in an effort to expand American sales in foreign markets.
  - The SBA is also in the process of opening 15 **USEACs**, "one-stop shops" that provide exporting assistance to American businesses. We are doing this in a partnership with the Commerce Department, the Export-Import Bank, and numerous state and local governments.

DEC 21 '95 03:55PM SBA ADMIN. OFFICE

- President Clinton has led the way for small business by implementing regulatory reform. He has pushed for common sense reforms which do not jeopardize health, safety, or the environment.

  - President Clinton has asked each agency to conduct a page-by-page, line-by-line review of all of its regulations to determine what can be reduced or eliminated.

  - SBA has played a key role in this effort through **LowDoc, our pilot FA$TRAK Program, and a reinvented 504 Loan Program.**

  - We have committed to the President that by the end of this calendar year, SBA will revise 100 percent of its existing regulations and will eliminate as unnecessary more than half of the current pages.

- President Clinton has also stood up for small business by putting the SBA Administrator on the Cabinet and on his National Economic Council. In this Administration, small business has a "seat at the table" in all economic policy discussions.

- President Clinton is also standing up for American values overseas, in Bosnia, the Middle East, Haiti, and elsewhere.

- President Clinton is doing what's right--not because it is easy, but because it should be done. The President took on the NRA to win the ban on assault weapons. He took on the tobacco companies to make it harder to hook kids on smoking.

2. Families: Working to Preserve and Strengthen Families

- President Clinton is working to give parents the tools they need, from the Family and Medical Leave Act to the "v-chip" on television sets.

- Frequently, small businesses are family-owned enterprises, requiring the hard work of fathers, mothers, and other family members.

  - SBA's programs provide financial assistance to many of these family-owned small businesses, strengthening the businesses and providing greater economic opportunity to those hardworking families.

- In many American families, mothers work outside of the home--not as a luxury, but as a necessity.

  - Through the **Women's Demonstration Program**, the SBA provides women with long-term training and counseling

DEC 21 '95 03:56PM SBA ADMIN. OFFICE

in all aspects of owning or managing a business.

- In addition, the **Women's Prequalification Pilot Loan Program** assists women small business owners to obtain prequalifications for SBA 7(a) loan guaranties to present for bank approval.

- The President is determined to make our schools and communities safe. This means more police on the street, fewer guns, safer schools, and a commitment to end violence against women.

3. Providing Opportunity for All Americans

- President Clinton believes that the American Dream is for every family and every child. His economic policies emphasize jobs, education and trade, creating more high wage, private sector jobs.

  - Under President Clinton, the economy has created over 7 million jobs, and 93 percent of those jobs have been in the private sector. Our unemployment rate is 5.7 percent, down from 8 percent at the beginning of the Administration.

  - Many Americans realize the American Dream by starting a business themselves. At the SBA, we have created more opportunities for this by providing greater and greater access to capital for small businesses over the last three years. And we've done this with a smaller bureaucracy.

  - In fact, in FY 1995, SBA was able to make $11.5 billion in capital available to small businesses with approximately 3,100 employees nationwide--a reduction of nearly 900 employees since 1992.

  - This increase in capital availability translates directly into jobs and opportunity for American families.

- In addition, because education is the key to higher income, President Clinton's policies emphasize making college education and computer literacy available to every student.

  - Education is not only for young students. Several SBA programs, including **SBDCs, BICs, and SCORE,** provide training and counseling for small businesspeople at no charge.

- Opportunity must be accompanied by responsibility. President Clinton believes that as we support policies that reward work and expand opportunity, we Americans must take

DEC 21 '95 03:56PM SBA ADMIN. OFFICE

more responsibility for ourselves, our families, and our communities.

- President Clinton has often said that the best welfare program ever devised is private sector employment.

- SBA's lending programs provide individuals who are starting a small business with a helping hand, not a government handout. To obtain loans, applicants must document their creditworthiness and business experience as well as their character and reliability.

- Loan recipients are then responsible for keeping their interest payments current. And the vast majority of borrowers do just that--the default rate on SBA loans is only 1.3 percent, which compares favorably with the rate experienced by private lending institutions.

- People involved in SBA loan programs don't sit around and watch talk shows or soap operas, they work for a living. One SBA program in particular--the **Microloan Demonstration Program**--targets individuals who are hardworking and wish to start a new business, but are not bankable due to past credit history, lack of a credit history, or lack of assets.

- Through this program, the SBA lends money to non-profit or quasi-public organizations which, in turn, re-lend the funds to small business borrowers in amounts of $25,000 or less.

- In addition to loans, the program provides microloan recipients very basic technical and management assistance, such as learning how to balance check books, how to read financial sheets, and how to draw up a business plan. The average microloan amounts to $10,800 and creates approximately four new jobs.

4. Common Ground

- There may be no more important test of leadership than President Clinton's commitment to <u>common ground</u>--leadership and action based on our highest values. By finding common ground, we can get beyond divisive rhetoric and take real action on the issues that are before us.

- At the SBA, we have <u>worked closely with Congress as well</u> as with state and local governments to advance the interests of small business.

  - Just recently, we worked with Congress to revise the **7(a) Loan Program** so that it saves taxpayers more than $100 million even as it boosts total loan volume to as

DEC 21 '95 03:56PM SBA ADMIN. OFFICE

much as $12.6 billion.

- The Small Business Lending Enhancement Act of 1995, which President Clinton signed into law on October 12, is an example of how Congress and the Administration can make great strides by working together.

- Through our **One Stop Capital Shops**, the SBA is able to provide a range of assistance to address the needs of small businesses, particularly in economically distressed and underserved areas. But we do not act alone. Our efforts complement the existing economic development programs of state and local governments, and leverage business development resources from the private sector.

- At a time when too many politicians use language that divides, President Clinton is working to find the common ground. He reminds us that we are all in this together--and together, we have the strength and the wisdom to do what is right.

DEC 21 '95 03:56PM SBA ADMIN. OFFICE

Central Intelligence Agency

21 December 1995

Washington, D.C. 20505

MEMORANDUM FOR: Kitty Higgins
Don Baer
Cabinet Affairs Office
The White House

FROM: Chief of Staff

SUBJECT: State-of-the-Union Themes and Messages

1. When the President turns to world affairs, he will have another opportunity to underline the need for US engagement and leadership in an increasingly complex post-Cold War world. To meet the challenges of that world, we will need all three legs of national security working more effectively --and more closely together--than ever before. **We will need diplomacy that is engaged, military power that is strong, and intelligence that is alert.** As the President said during his visit to Langley in July: "The intelligence I receive informs just about every foreign policy decision we make. It's easy to take it for granted. But we couldn't do without it." Let me elaborate on how we see intelligence fitting into the current national security picture.

2. The Old and the New. In talking about the "post Cold War world", we assume that this new world can be defined by the era that preceded it. In fact this new world is still in a state of becoming, not yet of being. I believe that history will record the mid-1990s not as a post-war period but as the mid-point of an era of revolutionary upheaval. Even though the single greatest threat to world peace is gone, the nations of the globe still look to us in building a new world. But opportunity still co-exists with uncertainty. Because **unpredictability and surprise are the great dangers** of this new era, the work of diplomats, soldiers--and spies--has never been harder. **All of this accentuates the classic mission of intelligence: to serve as the nation's first line of defense.**

3. Traditional Threats Persist. Although the Soviet threat has passed from the global stage and into museums, intelligence must still worry about traditional aggression that can damage US interests. With rogue states like Iraq and North Korea continuing to threaten our friends and allies, Intelligence Community tip-offs--such as **the warning we provided on Saddam's movement South in 1994**--are needed to help the President head off aggression, as he successfully did on that occasion. With regard to North Korea, **the**

SUBJECT: State-of-the-Union Themes and Messages

Intelligence Community's detective work on P'yongyang's nuclear ambitions was a pivotal part of our success in halting a program that would have destabilized a region vital to US interests. Our intelligence officers must also continue to provide comprehensive assessments that help policymakers support positive change in places like Russia and throughout the Former Soviet Union and to encourage peace in areas such as the Middle East.

4. Unconventional New Challenges. At the same time, we are dealing with dangerous new phenomena, that in many cases **respect no borders and begin to blur the distinctions between protecting our interests abroad and our citizens at home.**

- At least twenty countries already have or are developing weapons of mass destruction--nuclear, chemical and biological--or missile delivery systems. Others are selling or transferring the technology to do this. **Intelligence has successfully uncovered many of these programs in hostile countries such as Libya, Iran, and Iraq.**

- Terrorist groups around the globe, including those attempting to operate within the United States, are showing increasing interest in these capabilities--**a trend that obliges intelligence to target a wide range of capabilities--from satellites to spies--on this most difficult of targets.**

- These problems, meanwhile, are becoming entwined with the activities of international organized crime, whose annual profits from narcotics and other sources now dwarf the GNP of all but a handful of countries. The successes intelligence has scored in this arena--against the Cali cartel and some very notorious terrorists--are the **by product of unprecedented close cooperation between the intelligence community and law enforcement authorities.**

- Murderous ethnic conflict, which has spanned three continents, and humanitarian emergencies now demand our urgent attention, with Bosnia being the most obvious case in point. **From deploying troops into Bosnia to delivering humanitarian aid in such places as Rwanda, our soldiers and our diplomats must be able to draw on intelligence support critical to saving American lives and defending American interests.**

This list obviously could go on, but the basic point is that the challenges to vital US interests are more complex than ever. Warning time may be short, and the consequences severe.

SUBJECT: State-of-the-Union Themes and Messages

5. Looking Beyond the Immediate. Intelligence is not just about telling officials--from the President in the Oval Office to the soldier in the field--what they can expect the next day, it's about telling them what they can expect over the next decade. The evolution in the global economy, the continued transformation in China, the information revolution, and the demands to tend to our environment all have implications for future generations. **Our intelligence officers must ensure that as we tend to the day-to-day demands to protect our nation and our interests, we never lose sight of the opportunities, challenges, and dangers that await us.**

6. A Final Thought. It seems to me that the President, more than anyone else, has recognized the need to revitalize the Intelligence Community. He has instituted a first-ever system to prioritize intelligence requirements for the nation. He has supported strong new leadership. He has supported the need for reform and the actions of Intelligence Community leaders determined to carry it out. As the President prepares to sum up the State of the Union, I believe he can be confident that the Intelligence Community is on the right path and that it will be effectively doing its part to guarantee America's security.

Michael O'Neil

UNITED STATES
OFFICE OF PERSONNEL MANAGEMENT
WASHINGTON, D.C. 20415

OFFICE OF THE DIRECTOR

December 21, 1995

MEMORANDUM FOR KITTY HIGGINS
ASSISTANT TO THE PRESIDENT
AND SECRETARY TO THE CABINET

DON BAER
ASSISTANT TO THE PRESIDENT AND DIRECTOR OF
COMMUNICATIONS

FROM: JAMES B. KING
DIRECTOR

SUBJECT: State-of-the-Union Themes and Messages

I recommend the following two messages be included in next month's State-of-the-Union address:

I. FEDERAL EMPLOYMENT DROPS BELOW 2 MILLION FOR FIRST TIME SINCE 1966 -- ELIMINATING AN ENTIRE GENERATION OF GROWTH IN GOVERNMENT

OPM data shows that, in October, the Clinton-Gore Administration attained a major achievement when the Federal government's total, on-board civilian workforce fell below two million for the first time since May, 1966. As the attached chart shows, Federal employment dropped to 1,980,170, which reflects a reduction of 204,530 employees since January, 1993. This figure includes part-time and seasonal workers.

While our figure is not the Full-Time Equivalent (FTE) number that is sometimes used, we believe the total, on-board workforce figure better reflects the actual size of the government and is easier to communicate to the public.

II. FEDERAL GOVERNMENT SET TO SPIN-OFF FIRST ESOP -- REPLACING TAXPAYER-FUNDED JOBS WITH PRIVATE SECTOR OPPORTUNITIES

OPM is in the final stages of negotiations that will enable some 700 skilled investigators now on the Federal payroll to leave government and create a private, employee-owned company. This new private-sector enterprise will conduct background investigations both for the government and for the private sector.

This is the Federal government's first privatization of its kind and can be a model for moving other employees from the public payroll to the private sector.

For more information, please call Janice Lachance on 606-1800.

Attachments

12/18/95

Trend of Federal Civilian On-Board Employment for Executive Branch (non-Postal) Agencies

These figures represent total on-board employment - not FTE's
and include all work schedules (full-time, part-time, intermittent),
and tenure groups (permanent and temporary)

January 1993 through October 1995

Month	Total	Change from Prev. Month	Cumulative Change since Jan. '93
1993			
January	2,188,700		
February	2,197,937	9,237	9,237
March	2,193,890	-4,047	5,190
April	2,186,245	-7,645	-2,455
May	2,186,755	510	-1,945
June	2,198,963	12,208	10,263
July	2,183,131	-15,832	-5,569
August	2,178,540	-4,591	-10,160
September	2,156,844	-21,696	-31,856
October	2,136,358	-20,486	-52,342
November	2,127,496	-8,862	-61,204
December	2,120,463	-7,033	-68,237
1994			
January	2,113,692	-6,771	-75,008
February	2,123,448	9,756	-65,252
March	2,119,019	-4,429	-69,681
April	2,117,292	-1,727	-71,408
May	2,110,334	-6,958	-78,366
June	2,112,533	2,199	-76,167
July	2,107,582	-4,951	-81,118
August	2,099,555	-8,027	-89,145
September	2,085,492	-14,063	-103,208
October	2,061,515	-23,977	-127,185
November	2,048,493	-13,022	-140,207
December	2,039,882	-8,611	-148,818
1995			
January	2,028,078	-11,804	-160,622
February	2,033,404	5,326	-155,296
March	2,030,046	-3,358	-158,654
April	2,027,480	-2,566	-161,220
May	2,037,427	9,947	-151,273
June	2,051,719	14,292	-136,981
July	2,047,573	-4,146	-141,127
August	2,037,190	-10,383	-151,510
September	2,011,870	-25,320	-176,830
October	1,984,170	-27,700	-204,530

Notes: By Executive Order 12839, on February 10, 1993, the President ordered a reduction of 100,000 full-time equivalent positions during the FY 1993-1995 period.

In a memorandum to Department/Agency Heads in September 1993, the President increased this number to 252,000 through FY 1999.

The Work Force Restructuring Act of March 30, 1994 further increased this number to 272,900 through FY 1999.

SOURCE: U.S. Office of Personnel Management
Office of Workforce Information
Monthly Report of Federal Civilian Employment (SF 113-A).

TREND OF FEDERAL CIVILIAN ON-BOARD EMPLOYMENT FOR EXECUTIVE BRANCH (NON-POSTAL) AGENCIES

Average Employment by Calendar Year

CALENDAR YEAR	EXECUTIVE BRANCH
1960	1,814,766
1961	1,814,225
1962	1,877,131
1963	1,895,670
1964	1,877,940
1965	1,891,580
1966	2,035,515
1967	2,206,636
1968	2,220,369
1969	2,235,199
1970	2,177,246
1971	2,123,176
1972	2,107,628
1973	2,068,135
1974	2,112,470
1975	2,134,410
1976	2,138,600
1977	2,145,771
1978	2,176,759
1979	2,181,739
1980	2,274,269
1981	2,180,837
1982	2,149,206
1983	2,164,132
1984	2,184,927
1985	2,218,346
1986	2,197,590
1987	2,222,589
1988	2,222,933
1989	2,237,528
1990	2,344,168
1991	2,228,974
1992	2,231,535
1993	2,171,277
1994	2,094,903
1995	

Administrator
General Services Administration
Washington, DC 20405

December 21, 1995

MEMORANDUM FOR KITTY HIGGINS
Secretary, White House Office of Cabinet Affairs
DONALD BAER
Director, White House Office of Communications

FROM: ROGER W. JOHNSON
Administrator, U.S. General Services Administration

SUBJECT: Call for Suggestions for State of the Union Address

Thank you for the opportunity to share with you my ideas for themes and ideas for inclusion in the President's 1996 State of the Union address.

Domestic Policy

The President is perhaps never stronger than when he appeals to the American people's higher self and better nature. The President can rise above the nasty noise level of present-day ideologues by elevating his discussion with the Congress and the American people to a broader theme of what is needed in our political system to move the country forward and meet the challenges of the next century.

Much as he did in 1992 and since -- although the message has been grossly distorted -- the President can speak to the fact that old ideologies, as well as the newer, harsher mix of populist-libertarianism couched as conservatism, will not provide the solutions to new challenges brought on by economic and cultural transformations. He can recognize that old so-called liberal solutions will not meet the challenges, while pointing out the fact that the calls to dismantle the federal government by "devolving" federal programs to the states without measurements or standards of accountability is nothing more than an abdication of responsibility. There is a need for a strong federal government, but one that works in partnership with state and local governments and the private sector, and one that is flexible and more responsive to changing needs. Then the President can easily transition into his accomplishments under the National Performance Review framing them into language to which working Americans can relate (see attached letter to the Vice President, Columbus Dispatch article and *GSA Message from the Administrator* as examples).

Foreign Policy

In explaining why American involvement is needed in Bosnia and other foreign trouble spots, the President's speech before the British Parliament last month, which called for fighting the "forces of destruction," was again an appeal to our higher and better nature as Americans (see "Clinton Calls for a War on 'Forces of Destruction,'" L.A. Times, November 30, 1995). It was a concise message that best explained why America cannot retreat from its leadership role in foreign affairs. In fact, the President should repeat this message constantly until it becomes known as the Clinton Doctrine.

If you would like to discuss these issues in greater detail, please do not hesitate to call.

Federal Recycling Program Printed on Recycled Paper

Administrator
General Services Administration
Washington, DC 20405

December 19, 1995

The Honorable Albert Gore, Jr.
Vice President of the United States
The White House

Dear Mr. Vice President:

It is not The Washington Post, The New York Times, or The Wall Street Journal (yet) but it sells in Columbus! (see enclosed article) A week earlier we put out a press release reporting a $600 million savings from the latest FTS-2000 negotiations and got no coverage, to speak of - but 3 1/2 cents per minute gets attention.

I believe we should expand this approach across all of N.P.R. activities including specific customer service improvements, as well as stating savings and service improvements in "people understandable units." One easy step would be to put out a weekly/monthly N.P.R. talking points bulletin focused on unit bites. Agency and White House speech writers should also receive the bulletin. If you have any questions, please do not hesitate to contact me. See you soon.

Sincerely,

Roger W. Johnson

Enclosure

cc:
Elaine Kamarck
Bob Stone
John Koskinen
Don Baer

Federal Recycling Program Printed on Recycled Paper

Federal government is saving money, GSA chief says

■ Employees are making day-to-day savings that don't make news, Roger W. Johnson says.

By Darrel Rowland
Dispatch Statehouse Bureau

For just a moment, forget the heated rhetoric over billions of dollars in the federal budget battle, says Roger W. Johnson, administrator of the U.S. General Services Administration.

Instead, consider a cheap plane ticket, an inexpensive long-distance call and an economical car rental rate.

Such little political, day-to-day thrifti-ness shows that real savings can be made in the federal government, he said.

"You can make government work better and cost less," Johnson told about 400 county officials yesterday at the Greater Columbus Convention Center.

Johnson, in his first public sector job after 30 years in business, is the highest-ranking Republican in the Clinton administration. He formerly was chairman and chief executive officer of Western Digital, a Fortune 500 computer company in California.

People have become so cynical about the federal government that they don't believe true accounts of money being saved, he said.

The plane ticket he cited cost $242 to fly round trip between Washington, D.C., and Los Angeles, which normally costs about $760.

The calls he made yesterday to his Washington office from Columbus cost him 3½ cents a minute, compared with the best business rate of about 9 cents. And the rental cars his agency provides to federal employees cost only $136 a month for a four-door sedan.

These deals were negotiated by General Services workers who have brought competition and creative approaches to the business arm of the federal government, said Johnson, whose agency oversees $60 billion in spending.

"Things do work better in Washington today," he said.

The more businesslike atmosphere gets little attention because "there's no political penalty or reward in Washington for professional managing," Johnson said.

A lifelong Republican and "flaming moderate," Johnson openly complained about George Bush in an October 1991 article in the *Los Angeles Times* and mentioned that he could support the right Democrat. A couple of days later the governor of Arkansas called.

Johnson said Bill Clinton's reputation as a waffler is unjustified, calling him "the most issues-oriented president since Harry Truman."

Meanwhile, Johnson labeled the leadership of his fellow Republicans as "kind of nasty right now" and said the GOP push to balance the budget is really a subterfuge for dismantling portions of the federal government.

Johnson lauded Clinton for reducing the deficit for three consecutive years and trimming thousands of employees from the federal payroll. He said the federal government's operating budget (which doesn't include interest payments on the national debt) is balanced.

"The Democrats are the most marketers I've ever seen," he said. "Meanwhile, the Republicans are good marketers, but don't have a quality product."

MESSAGE FROM THE Administrator

This year, GSA continued to make President Clinton's promise to make "government work better and cost less" a reality. Although the environment in Washington has made this past year difficult and sometimes uncertain, we have continued to focus on our mission using customer service and common sense management. While others try to paint federal employees as "faceless," we have never forgotten that GSA is an agency of people serving people. They are our customers, and we know that the better we serve them, the better we can all serve taxpayers. It just makes common sense!

Working together, we have been reshaping our agency and rethinking our business for over two years. And as you can see in the accomplishments outlined below, we are making real, lasting changes:

- ***Time Out and Review of Public Buildings Yields $1.36 Billion in Savings, Better Construction Management***
  Our "Time Out and Review" of the federal building program cut $1.36 billion from new real estate projects. An outgrowth of the review is the new Courthouse Management Group to ensure cost-effective and efficient construction of federal courthouses. Adopting business-like real estate principles into our program will ensure long-term savings.

- ***Changing Major Computer Purchases Avoids Over $7 Billion in Unnecessary Spending***
  Taxpayers were not getting a good return on their investments in major federal government computer systems, so we imposed a "Time Out" that avoided spending $7.4 billion for computer systems with cost overruns and other problems. Greater use of interagency teams, independent auditors, performance measurements, and Chief Information Officers will produce more efficient, less costly systems.

- ***Unrestricted Coast-to-Coast, Round-Trip Airfares for $242***
  Our unrestricted airfares with major airlines are on average 50% lower than commercial rates. Where else can you get a round-trip ticket from Washington to California for $242 on short notice?

- ***Rent a Car for $136 a Month***
  We lease four-door sedans to other agencies for $136 a month, plus 11 cents a mile for fuel and maintenance. Consolidating vehicles from other federal agencies into its fleet management program last year saved taxpayers $7.2 million, and other management improvements have saved an additional $22.8 million.

- ***Long-Distance Service for Just Over 3 Pennies per Minute***
  Our common sense management of the FTS2000 long-distance network has drastically cut costs. Due to a recompetition in the contract, federal customers now pay just 3 1/2 pennies per network minute, saving taxpayers $200 million a year. Overall costs under FTS2000 during the past 7 years have been reduced by 80%, saving nearly $5 billion compared to the old long-distance program.

(more)

- ***It Pays to Use the American Express Government Travel Card – Literally!***
  Our contract with American Express Travel generates affinity refunds every time federal employees use the card for official travel. These refunds -- estimated at $20 million a year -- go back to agencies to offset travel-related expenses.

- ***Government Purchase Card Saves Money and Headaches***
  With the increased use of the government purchasing card, federal agencies get better, faster service and will save $475 million by eliminating administrative headaches.

- ***Expansion of Electronic Commerce, 'GSA Advantage!' and Other Initiatives***
  We are a leader among interagency teams working to eliminate burdensome, costly paper-driven procurement, while increasing accountability in government spending by expanding the use of electronic commerce. In fact, with ***GSA Advantage!***, federal customers can get supplies through the Internet and have them directly delivered to their desks with a few strokes of a keyboard. And our energy and recycling programs are proving that sound environmental policies can also save tax dollars.

So far, our customer focus and common sense have netted taxpayers over $12 billion in savings or cost avoidances. We've done all this with a workforce streamlined by 20% – with no layoffs -- and operating costs cut by 17%. Our efforts have been recognized by Vice President Gore and the National Performance Review. GSA employees have received 17 Hammer Awards from the NPR to recognize excellence and creativity in public service.

As impressive as these accomplishments are, we must continue to define and shape GSA. And we are doing that, as we dig deeper into our operations through the FORM analysis to search for ways to improve our performance and service. In the end, this analysis will set us on a path of continuous improvement to create a culture of common sense management to build a common sense government that works better and costs less.

It has been a challenging year, but we have met those challenges and are moving forward. I thank you for all your hard work and perseverance. Let us now take time during this holiday season to rejuvenate our spirits and to celebrate the season with our families and friends. I wish you and your loved ones good health and happiness now and for the coming year.

Roger W. Johnson
Administrator

December 21, 1995

SOCIAL SECURITY

Office of the Commissioner

December 20, 1995

MEMORANDUM TO THE PRESIDENT

FROM: SHIRLEY S. CHATER
COMMISSIONER OF SOCIAL SECURITY

SUBJECT: STATE-OF-THE-UNION ADDRESS

As requested, I am forwarding my recommendations for themes and messages to possibly be included in your State-of-the-Union Address in January. My suggestions are as follows:

1. The need for intergenerational cooperation

All too often, debates on national issues divide generations of Americans instead of bringing them together. If we, as a nation, are going to develop long-term solution to issues facing our country, all of us, young and old alike, must be willing to work together for a common goal.

Social Security and Medicare are perfect examples of issues that require intergenerational cooperation. Today's seniors and tomorrow's workers must decide the future of these programs together because all Americans, regardless of their ages, are impacted by Social Security and Medicare.

For two of every three senior citizens, Social Security represents more than 50 percent of annual income. For 14 percent of Americans age 65 and older, Social Security is 100 percent of income.

In addition, Social Security benefits young workers through survivors and disability protection. Younger Americans face roughly a 1-in-5 chance of dying before reaching age 65. If the unthinkable happens, Social Security is there with average protection equivalent to a $295,000 life insurance policy.

A 20-year-old worker stands nearly a 1-in-3 chance of becoming disabled before age 65. Once again, Social Security is there if the unthinkable occurs--with disability protection which on the average is equivalent to a $203,000 disability policy for an average income earner with a spouse and two children.

Social Security is much more than retirement. It is a program that affects all Americans. As a result, we all must work together to preserve and protect it.

2. The need to make "tough decisions" about our country's future

"No pain, no gain" is a familiar phrase and one that all Americans should keep in mind. As we move forward in the resolution of national issues, Americans must be prepared for a series of "give and take." Individually, we may not be happy with the resolution of each issue, but as a nation we can be satisfied in the fact that we are doing what's right for America's future.

A specific example of a tough decision involves the future of Social Security. Although Social Security is solvent today, a time will come when Social Security cannot pay full benefits. Two groups--the Kerry-Danforth Commission and the Social Security Advisory Council--examined the issue of solvency earlier this year and could not agree on a solution.

Both groups did agree, however, that tough choices must be made in order to make Social Security financially sound. At some point, Americans of all ages must decide on the future of Social Security. The earlier the tough choices are made, the less drastic they will have to be. Ultimately, everyone will have to sacrifice a little for the good of the country's future.

It's not that young workers and Baby Boomers don't want a Social Security program. In fact, a study commissioned by AARP found overwhelming support by Americans for Social Security. The problem is that many young people don't believe Social Security will be there for them.

Since Social Security affects Americans of all generations, it's important that the voices of senior citizens, Baby Boomers and Generation X be heard in the debate. As in the past, any major change in the Social Security program must involve bipartisan cooperation and must be the result of an engaged American public.

GSA fax

TRANSMITTAL SHEET

Office of Public Affairs
Suite 6002
18th & F Streets, NW
Washington, DC 20405

Phone Numbers:

Office of Public Affairs
(202) 501-0705

Media Relations
(202) 501-1231

Communications
(202) 501-0937

Audiovisual Services
(202) 501-0705

Number of pages (including cover sheet): 6

TO: Kitty Higgins

From: Hap Connors

Date:

Subject:

Phone Number:

Fax Number:

Comments: State of Union thoughts

U.S. General Services Administration

URGENT FAX MESSAGE

OFFICE OF COMMUNICATIONS
4200 WEST HIGH RISE

ADDRESSEE:	FROM:
Kitty Higgins	Shirley S. Chater
LOCATION/ORGANIZATION: Cabinet Affairs	LOCATION/ORGANIZATION: **SSA/OCOMM**
TELEPHONE NUMBER:	TELEPHONE NUMBER: **(410) 965-1720** **FAX#(410) 965-3903 FTS 625-1720**

FACSIMILE TELEPHONE NUMBER:	TOTAL NUMBER OF PAGES:	DATE:
(202) 456-6704	3	12/21/95

MESSAGE:

As you requested.

U.S. DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

OFFICE OF THE ASSISTANT SECRETARY FOR TRANSPORTATION POLICY

Number of Pages including this Page: 4

Date: _____

TO: Kitty Higgins
456-6704

FROM:
JOHN N. LIEBER
DEPUTY ASSISTANT SECRETARY
FOR TRANSPORTATION POLICY

(202) 366-4450
FAX: (202) 366-7127

FAX MESSAGE:

Department of Energy
Washington, DC 20585

OFFICE OF THE SECRETARY

FASCIMILE TRANSMISSION SHEET

To	Jere Silverman	From	Mark Fallon
Office	Cabinet Affairs	Date	Dec. 22, 1995
Fax Number	456-6704	Fax Number	202/ 586-7644
Office Number		Office Number	202/ 586-6210

Comments:

Pages: 2 , including this cover sheet.

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UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF THE SECRETARY

FAX TRANSMITTAL

TO: Steve Silverman / Ann McGuire

ORGANIZATION: Cabinet Affairs

PHONE NUMBER:

FAX NUMBER: 456-6704

FROM: Frank Holleman

TELEPHONE: 401-6143

FAX NUMBER: 202-401-2098

MESSAGE: State of the Union materials

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11 **PAGE(S) TO FOLLOW**

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

OFFICE OF
THE ADMINISTRATOR

TO: Kitty Higgins
950-6704

FROM: Lorretta Wells

COMMENTS:

Number of Pages to follow: 4
Date: 12/22
Time:

Transmission Number: (202) 260-3684
Verification Number: (202) 260-7960 or 260-9828

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THE SECRETARY OF VETERANS AFFAIRS
WASHINGTON

Facsimile Cover Sheet

To: Steve Silverman
Company:
Phone:
Fax:

From: Harold Gracey
Company:
Phone:
Fax:

Date: 12-22-95
Pages including this cover page: 2

Comments:

More thoughts for the State of the Union.

Putting Veterans First

United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, D.C. 20240

TAKE PRIDE IN AMERICA

TRANSMISSION NOTICE

THIS MESSAGE WAS ELECTRONICALLY TRANSMITTED

TRANSMISSION NUMBER: Commercial 202/208-6956

VERIFICATION NUMBER: Commercial 202/208-7351

TO: Kitty Higgins, Don Baer, Mike Waldman

FAX NO: _____ PHONE NO: _____

DATE: 12/22/95 TIME: _____

FROM: Anne Shields, Chief of Staff

NO. OF PAGES: 3

Revised theme piece. We made a few revisions to the version sent last night.

UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF THE SECRETARY

FAX TRANSMITTAL

TO: Steve Silverman / Ann McGuire

ORGANIZATION: Cabinet Affairs

PHONE NUMBER:

FAX NUMBER: 456-6704

FROM: Frank Hollman

TELEPHONE: 401-6143

FAX NUMBER: 202-401-2098

MESSAGE: State of the Union materials

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Central Intelligence Agency
Washington, D.C. 20505-0000

TOTAL FAX: 4 Pages

FAX

from
Mike O'Neil, Chief of Staff (703) 482-7744
Office of the Director of Central Intelligence

Voice: (703)482-6363
FAX: (703)893-5639

TO: Kitty Higgins
Don Baer
Cabinet Affairs

FAX: 202/456-6704 **VOICE:** 202/456-2572

Message:

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20410-0001

FAX TRANSMISSION

DATE: 12/21

NUMBER OF PAGES (including this page) 4

To: Lee Ann

FROM: Bruce Katz

Ofc. #:

Ofc. #: 708-2713

Fax #:

Fax #: 708-2476

COMMENTS:

OFFICE OF THE SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

THE SPECIAL ASSISTANT

FAX COVER SHEET

Date: **December 21, 1995**

To: **Kris Balderston**

From:
_____Margie Sullivan (703-693-0566)
__X__Laura Marcus (703-693-4272)
_____Sharon Curcio (703-693-0566)

Pages: **_2__ (including cover)**

SUBJECT: State of the Union Themes

Attached are the general themes DoD is highlighting for 1995. Obviously, the message behind #1 is the most salable for the State of the Union address.

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20410-0001

FAX TRANSMISSION

DATE: 12/21/95

NUMBER OF PAGES (including this page) 4

To: Don Baer

cc: Kitty Higgins

FROM: Bruce Katz

Ofc. #:

Ofc. #: 708-2713

Fax #:

Fax #: 708-2476

COMMENTS:

[redacted]

U. S. SMALL BUSINESS ADMINISTRATION
OFFICE OF THE ADMINISTRATOR
409 THIRD STREET, S.W. ROOM 7000
WASHINGTON, D.C. 20416

FAX MESSAGE

DATE: 12-21-95 ____ PAGES + COVER

TO: Ann McGuire FAX #: 456-6704

PHONE #: 456-2572

FROM: Jeanne Saddler FAX: #: (202) 205-6802

PHONE #: (202) 205-6605

SUBJECT: State of the Union Message

MESSAGE: This is our summary of SBA themes/accomplishments for the State of the Union speech.

DEC 21 '95 03:55PM SBA ADMIN. OFFICE

FAX TRANSMITTAL

FROM

THE OFFICE OF THE DIRECTOR

U.S. OFFICE OF PERSONNEL MANAGEMENT

TO: KITTY HIGGINS

of CABINET AFFAIRS

phone _____ fax 456-6704

FROM: JAMES B. KING

of OPM

phone 606-1000 fax (202) 606-2573

DATE: 12-21-95

TOTAL NUMBER OF PAGES (including cover sheet): 05

COMMENTS:

DEPARTMENT OF HEALTH & HUMAN SERVICES
Chief of Staff
Washington D.C. 20201

FACSIMILE

DATE DEC 21 1995

TO: (NAME, ORGANIZATION, CITY/STATE AND PHONE NUMBER) :

Kitty Higgins
Cabinet Secretary
Office of Cabinet Affairs

PHONE: 456-2572

FROM: (NAME, ORGANIZATION, CITY/STATE AND PHONE NUMBER) :

Kevin Thurm
Chief of Staff
DHHS

PHONE: 690-6133

RECIPIENT'S FAX NUMBER: ( ) 456-6704

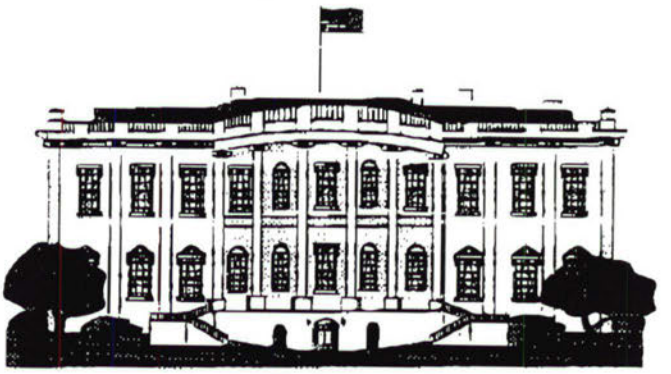
NUMBER OF PAGES TO SEND (INCLUDING COVER SHEET) : 3

COMMENTS.

Executive Office of the President

Office of National Drug Control Policy

Washington, DC 20503



The Chief of Staff

Facsimile Message

TO: KATY HIGGINS

FAX NUMBER: 66704

DATE:_____ TIME: _____ PAGES:_____ + Cover

FROM: BW, Office of the Chief of Staff

Fax Number	202/ 395-6708
Telephone	202/ 395-6700

COMMENTS:

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

OFFICE OF
THE ADMINISTRATOR

TO: Kitty Higgins
950-6704

FROM: Lorretta Kelly

COMMENTS:

Number of Pages to follow: 4
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DEC-22-95 16:50 FROM:EPA/ADM OFFICE ID:2022600279

January 10, 1996

MEMORANDUM FOR CABINET AFFAIRS STAFF

FROM: KITTY HIGGINS

FYI.

THE PRESIDENT HAS SEEN
1/8/96

THE WHITE HOUSE

WASHINGTON

96 JAN 3 P4:18

January 3, 1996

MEMORANDUM TO THE PRESIDENT

FROM: DON BAER
KITTY HIGGINS
MICHAEL WALDMAN

SUBJECT: Memoranda from the Cabinet

Attached are submissions from Cabinet secretaries on possible themes for the State of the Union.

I suggest some good ones

Department of Education December 22, 1995

Thoughts on 1996 State of Union Speech

Major Themes: Continue major theme of "opportunity and responsibility"

1. Increase Emphasis on responsibility

- o Responsibility to others, to society, to America
- o Taking advantage of opportunity requires hard work
- o Use concepts such as performance, accountability, standards, respect for others, discipline.

2. We are emerging into a new post cold-war, post balanced-budget era. We need to position America to be a strong democracy and economy in a diverse society with constrained spending.

- o Smaller, more responsive and efficient government
- o Focus on selected national purposes -- to support good citizenship and economy: Quality schools, clean water and air, healthy youngsters, safe streets and schools.
- o Performance Partnerships with states based on national purposes.

3. Provide leadership to address fundamental stresses and strains in society:

- o racial tensions
- o income inequalities
- o responsible role for youth who are not going on to college

4. Invest in Education: New Federal K-12 role based on leadership and high standards

- o Reaffirm national purpose of public schools -- to promote citizenship and create the public as well as serve the public.
- o Performance partnership with states around high state standards, local responsibility and flexibility with accountability.
- o National leadership through voluntary national standards, support for citizenship and service in schools, putting technology to use, and charter schools.

5. Invest in Education: Insure access to at least two years of college for all prepared high school graduates.

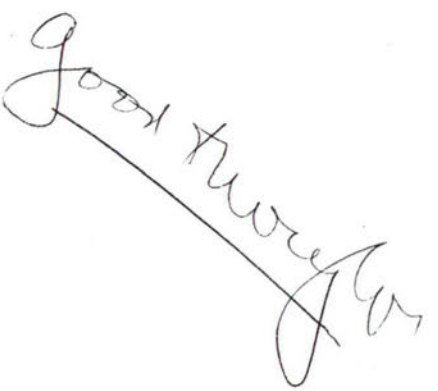
- o Scholarships based on merit for top two percent of all graduating classes.
- o Strong direct lending program with income contingent repayment allowing graduates to take low paying, service

oriented jobs.
o Increase responsibility through greater work-study opportunities.
o Reduce regulations for schools with strong administrative records.

6. Face issue of work for non-college going youth. "More recently he has proffered the wisdom that instead of simply yelling a the unskilled underclass to get off their duffs and go to work, we might spend some thought seeing to it that there is some entry-level work for them to do -- some modern-day equivalent of the factory." (WM Raspberry paraphrasing Hugh Price. WPost 12/22)



Department of Education December 22, 1995



Other Thoughts on 1996 State of Union Speech:

Beginning to fleshing out some of the Themes

<u>Emerging new federal role in post-cold war post-balanced budget era</u>: Requires a new vision -- not a highly regulated government or the fragmented, rudderless vision of the Republicans. Government will be smaller, more responsive.

o Need **bold federal leadership** in critical areas of national purposes and responsibilitiesd -- clear direction in those domestic and international arenas required to keep our democracy and economy strong and to ensure "domestic tranquility."

o **Performance Partnerships around national purposes:** Structure around clear standards of **performance** rather than conformity with process: Get incentives straight -- support and reward progress, quality, innovation, and hard work; emphasize responsibility; exercise accountability when progress is not forthcoming.

o **Tight budgets with new resources created by economic growth targeted to national priorities and a different way of doing business.**

o **Key national priorities** -- all where state and local governments are critical -- but where our national livelihood is at stake: To build a strong nation we need:

* **Strong schools that prepare all of our youth to be productive and involved citizens with good jobs** through solid basic skills, high academic standards, and clear rules of conduct with consequences for mis-behaving.

* **Clean water, clean air ....**

* **Healthy youngsters ...** Basic safety net.

* **Safe streets, communities and schools ...**

Education: A different Federal Role based on leadership, vision, identification of national purposes

o **Reaffirm fundamental national purpose of public schools** -- public schools do not only serve the public, they create the public.[1] Public schools are necessary to prepare our students to live and work in a challenging and internationally competitive democracy and economy.

o To meet this purpose public schools must prepare students to meet **rigorous academic and occupational standards and** to participate as **Americans** in our diverse democratic society. **High academic standards as well as the basics, a safe and disciplined environment, well trained teachers, local flexibility and charter schools, occupational training for high paying jobs, support for all prepared students to attend college -- these are the ingredients of an effective education strategy. Clinton priority programs will help make this happen.**

o A strong nation needs a **strong** school system -- while we have a long way to go the nation **is beginnning to move in the right direction**: achievement is up in math, science and reading, 4 times as many advanced placement courses taken than in 1980, standards are having great effect in Maryland, NYC, KY and other states and communities throughout the nation.

o The **federal government is beginning to move in the right direction** -- put into place **strong** programs in support or state and local reforms for all students, reduced programs by over 70, reduced regulations in elementary and secondary education by over 75%, implemented large scale waiver program for the first time.

o **At Elementary and Secondary level continued national leadership is necessary** to make performance count. The need for increased national efforts is greater than ever as the school population will see a tidal wave of new students (over 20% increase) over the next decade to the highest levels ever.

- **Support state and local reforms for challenging standards** through Goals 2000 and School to Work.

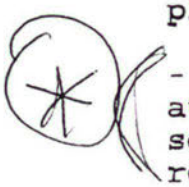
- Strong **Presidential and Secretarial support** for **voluntary national standards** to help guide and challenge our schools. Strengthen National Assessment of Education Progress to give us regular performance feedback on our national and state efforts. Give public clear

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[1] See recent Neil Postman book The End of Education.

expectations about what is high quality, internationally competitive work.

- **Promote flexibility and accountability for results:** Establish a system of **performance partnerships** with states to give **incentives to states with improved achievement** -- waive all federal education laws and regulations except civil rights laws and IDEA for states that have deomonstrated improved achievement. In consultation with MD and other states to implement this plan.



- **Presidential and Secretarial support** for increased attention to **citizenship** in our schools -- public service, saluting the flag, clear guidelines for religious activities ...

- **Technology** -- public, private partnership to put computers to use **in every classroom in the nation** by the year 2000 -- wire all schools to the world wide web -- and train all teachers to use computers to enhance student opportunities to reach high academic standards.

- Provide strong incentives for the development and initial implementation of **charter schools** throughout the nation.

o **At Post-Secondary level: Insure financial access to college for all deserving high school graduates.** Simplify and strengthen other student assistance programs. (Could propose IRAs for college use -- Laura Tyson's plan: This would be expensive but powerful!!) Alternatively:

- Establish $1000/year scholarship based on merit for up to two years for the top two percent of all graduating students in every secondary school in the nation (grade point average) for use in the college of their choice. 60,000 students per year cost up to $120 million in the second year (when 120,000 students would have received awards).

- Increase Pell grants, the heart of the financial aid programs, to $3128 by 2002!!

- Continue to have a strong Direct Loan program.

- Increase work-study by 50% phasing in over five years.

- Reward schools with strong records in administering student aid with dramatic reduction in federal regulatory requirements.

DRAFT 12/18/95

Connecting Education As A National Concern to Local Action and Support

1. Given the long American tradition of local and state control, are education and its funding a national or federal concern of the public? Examples from recent polls show strong support:

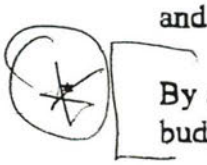
* 81% oppose decreasing federal education funding to decrease the federal deficit; 19% would favor (Times Mirror, 1994).

* 75% said federal aid to education should be expanded; 18% said "keep same"; and 4% said "cut back" (Gallup, 1995).

* 80% of Americans think the federal Department of Education is necessary; 70% say "very necessary" (NBC/Wall Street Journal, 1995).

* 76% disapprove of reducing federal funding for low-income schools to balance the federal budget; by comparison, 61% disapprove of cutting the rate of spending growth for Medicare; and 36% oppose cutting food stamp funding (Times Mirror, 1995).

* 74% of Republicans in New Hampshire (10/25/95), said "no" to cuts in education to reduce the deficit as compared to 62% "no" to Medicare cuts; 33% "no" to defense cuts; and 43% "no" to cuts in assistance to the poor.



By almost 2-to-1, young voters (18-34) cite education as a top voting issue over the budget deficit, crime, and Medicare (NBC, Wall Street Journal, 11/2/95).

However, citizens clearly don't want micromanagement of detailed programs from the federal or state levels, but they do want accountability and want to reduce waste and red tape. They like encouragement of community-based solutions and local partnerships. They want all of us to work together on needed educational changes to reflect the changed realities of American society and the demands of today's and tomorrow's workplaces.

2. What is the overall message on education that connects with local citizens?
Celinda Lake has a framework that captures this well. Combining her findings with several others gives a good general message about needed focus and attention.

* Quality education is absolutely necessary not only to the future of our children and our families but to the future of America. A good education is certainly essential to each citizen for full participation in the changing economy, but a well-educated citizenry is also essential to our country's democratic way of life. As a nation, we have a stake in giving our children a solid foundation to make the most of their lives and to be productive, responsible adults.

  In addition to academics, a quality education is one that stresses discipline, hard work, respect and responsibility where guns, violence and drugs are not present. We need to set the highest standards in education and we need to make this a national priority. Parents should have the choice of public schools or charter schools to escape poorly run or disorderly schools. Schools should not allow hostility to religion or to good citizenship.

HeadStart, strong teacher training, extra help in the basics, getting computers in the classroom, and streamlined college loans are fundamental to helping our children get started on the right course. Along with better financial aid for college, providing specialized courses for career preparation with work-study experiences is also important.

We should be making all of these initiatives better, not cutting them back. They are essential to a strong economic future for our children and our families, and to our ability to compete in an international economy to bring us together as Americans.

Recurring critical issues:

* safe, disciplined, and drug-free learning environment.
* promoting parent involvement.
* rigorously teaching the basics.
* getting quality teachers and upgrading teacher skills.
* setting high standards of discipline and achievement.
* getting computer technology into the classroom as soon as possible.
* access to student loans and financial aid for college.
* teaching and connecting young people to real life skills that prepare them for adulthood, careers, and college.

3. ***What are any opportunities to address these issues locally?***

a. The proposed reconciliation and appropriation bills by the "new" Congress cut the very education areas people support the most. In fact, the public wants to improve and expand them. However, most people do not know about the cuts nor what to do about them. Showing direct impact on local schools, colleges, students, parents and teachers can make this a real and very important local issue.

b. Citizens like to see local parent-teacher, business-school, and community-school partnerships that are solving education problems faced by real families and students. Many of the changes in new education legislation passed by the last Congress are beginning to create, and will create, new opportunities for building and expanding local partnerships and community-based solutions to solve the very education issues of most concern to the American public: *school-law enforcement partnerships through the Safe and Drug-Free Schools Act; school-community partnerships for educational excellence through the Goals 2000: Educate America Act; school-employer-community college partnerships through the School-to-Work Opportunities Act; school-parent compacts through Title I of the Elementary and Secondary Education Act; school-college partnerships through TRIO; and college student-direct financial aid through Direct Lending. Highlighting these partnerships solving the above critical issues shows leadership for effective change.*

Why Federal Education Funding Is Important

The Federal government plays a critical role in education. The most important contributions are:

1) **raising standards of achievement**

2) **improving basic skills of disadvantaged children**

3) **ensuring safe and disciplined schools**

4) **helping families pay for college**

5) **preparing youth for the world of work.**

The public overwhelmingly supports education, including the Federal role:

- 81 % oppose decreasing Federal education funding to decrease the federal deficit; 19 % would favor (Times Mirror, 1994).

- 75 % say federal aid to education should be expanded; 18 % say "keep same;" and 4 % say "cut back" (Gallup, 1995).

- In response to strong public demand and the outcome of the 1995 state election, Virginia's Governor George Allen this month submitted a new budget which substantially increases state expenditures for classrooms, technology, and higher education.

- 74 % of Republicans in New Hampshire say "No" to cuts in education to reduce the deficit as compared to 62 % "No" to Medicare cuts; 33 % "No" to Defense cuts; and 43 % "No" to cuts in assistance to the poor (10/25/95).

- By almost 2 to 1, young voters (18 to 34) cite education as a top voting issue over the budget deficit, crime, and Medicare (NBC/Wall Street Journal 11/2/95).

- 76 % of Americans disapprove of reducing Federal funding for low-income schools to balance the Federal budget; by comparison, 61 % disapprove of cutting the rate of spending growth for Medicare; and 36 % oppose cutting food stamp funding (Times Mirror 1995).

The Department of Education addresses critical areas of National concern, including:

- Provides $32 billion in financial aid to help 6.5 million students attend college.

- Through Title I grants to local school districts, provides $7 billions to more than 6 million

students each year in the highest poverty schools to improve basic and advanced skills.

- Provides $3 billion a year to help communities meet the special needs of over 5 million children with disabilities to prepare them for further education and employment.

- Helps communities and States raise standards of student achievement, prevent drug abuse and violence in schools, and build partnerships to get computers and technology in classrooms.

- Assists States in helping youth move from school to careers.

Education works:

- Greater prosperity. In 1992, average annual earnings for those with a bachelor's degree were 74 % higher than for those with a high school diploma, and 155 % higher than for those who had not graduated from high school. Also, a student who graduates from high school earns $200,000 more during his lifetime than a student who doesn't. A college graduate earns $1 million more than someone who doesn't.

- Less welfare. Only 5 % of college graduates have ever participated in government assistance programs (AFDC, Supplemental Security Income, food stamps, housing assistance, or Medicaid), and only 10 % of high school graduates have, compared to 24 % of high school dropouts.

- Less crime. Although only about 18 % of the population has never finished high school, this group accounts for 41 % of state prison inmates and 47 % of prisoners on death row.

- More civic participation. Fully 85 % of college graduates and 75 % of high school graduates, but only 50 % of high school dropouts, are registered to vote.

Education programs work:

- The Rand Corporation found that the Title I program helped to close the achievement gap between disadvantaged students and their advantaged peers (from 1970 to the mid 1980's, the learning gap in reading, mathematics, and science was cut by over a third--NAEP). Bipartisan reauthorization in 1994 focused on improving the program to challenge low-income students to high standards to help continue closing the gap.

- The dropout rate is declining (from 14 % in 1982 to 11 % in 1993) , fewer students are taking remedial math courses, more students are taking advanced placement courses (150,000 in 1982, 450,000 in 1992), and the science test scores of both the highest- and the lowest-performing students are increasing.

- Comprehensive standards-based reforms, such as those supported by Goals 2000, in leading-edge states are showing impressive gains in student performance, such as in Kentucky, where 4th, 8th, and 12th graders demonstrated dramatic improvement on 1993-94 assessments over previous years' tests in mathematics, reading, science, and social studies.

- IBM Chairman Lou Gerstner, for example, says that "Goals 2000 is only a small portion of what we need. But it is a very critical portion because it is the fragile beginning of the establishment of a culture of measurement standards and accountability in this country. We must go beyond Goals 2000. But if we lose Goals 2000, it is an incredibly negative setback for the Nation.

- Goals 2000 has received widespread support because of its flexibility and its emphasis on high standards and accountability. The Wall Street Journal has reported that Goals 2000 is viewed "by many political analysts as the most flexible education plan ever produced by the Federal government." (WSJ 8/30/95)

- The New York Times reports that tougher graduation requirements in New York City public schools are spurring thousands more school students to take and pass college preparatory mathematics and science courses (5/9/95). Entering freshmen at CUNY are the best academically prepared in two decades (12/10/95).

- Increases in special education funding have contributed to major educational gains in children with disabilities, who now have opportunities that were unavailable before enactment of the Individuals with Disabilities Education Act.

- For 5 years, Maryland has been working systematically to raise academic standards and is showing significant improvement in achievement as a result.

THE SECRETARY OF COMMERCE
Washington, D.C. 20230

MEMORANDUM FOR The President

FROM: Ronald H. Brown

SUBJECT: Your 1996 State-of-the-Union Address

DATE: December 26, 1995

Your election in 1992 and the Republican congressional victory in 1994 were both fueled in significant part by voter discontent. 1996 is the year when American voters will move to the next stage: Choosing between two different visions of the future.

Of course, our recent political success has been assisted by Republican extremism, a self-destructive impulse that has helped Americans understand how glib language can translate into hard-hearted policy -- if not rebuffed by strong Presidential leadership. You will continue to join battles with Republican extremists on the items of their own agenda.

Nonetheless, I believe that the last State-of-the-Union Address of your first term should be a time to sum up the past and present a compelling vision of what America can be. With the budget battle presumably over (hopefully, along the lines we discussed the other night), such a speech will demonstrate how Presidential leadership will be expressed in an era of smaller government and a balanced federal budget.

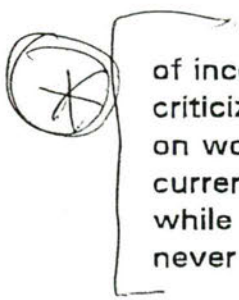
The key is to stand on common ground: Neither silly regulation that unnecessarily burdens businesses nor disavowal of efforts that protect our children from unclean air and water and our workers from unsafe conditions; neither disproportionate reliance on government as a force for economic growth, nor blind refusal to recognize the new, interdependent global environment in which we must compete.

Balance can be demonstrated both by your policies and by your battles. To begin, I believe that you must remind the American people of the outstanding performance of this economy and that it didn't happen by accident. Your 1993 budget plan was the first great step towards a balanced budget. The Republican naysayers of 1993 should be forced to confront the very success that they tried to obstruct.

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The purpose here is not simply to paint a picture of economic success. It is, as well, to demonstrate that the path you have followed is the right track. You demonstrated great courage by fighting for lower budget deficits without any Republican support in 1993; fighting for the NAFTA against significant Democratic opposition; facing down Republican budget threats against our core values in a time when political pundits proclaimed the dawn of a new Republican revolution. Each time, you disdained the easy course and each time, America benefitted.

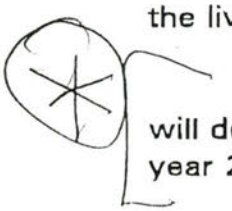
The path that took courage before is the same balanced course that will lead to a prosperous future for all Americans.



In this context, I believe that it is important to confront directly the problem of income stagnation and disparity We spent a lot of time in 1992 rightly criticizing George Bush for his failure to grasp the impact of the slowing economy on working Americans. This Republican crowd has the same problem: As the current budget negotiations show, they're fixated on a return to Reaganomics while at the same time ripping out the social safety net (something even Reagan never really attempted).

It is the challenge of growing income disparity that shows just how out of touch the Republicans are (incredibly all of their proposals would make the disparity worse while ours would help close the gap). Moreover, it is the theme that ties together all of our constituencies: from traditional Democratic voters to the political center, which has fueled political revolt precisely because so many of our people feel that the traditional American dream is ever harder to realize.

Because income disparity is a real, recognizable problem, it also helps us ground our message on the importance of a growing economy -- and how to achieve it. You have clearly stated that economic growth will come from education and training, from new technologies, through the success of American firms in foreign markets. In the context of the budget battle, the emphasis has been, quite rightly, on values. In its aftermath, I believe that the emphasis should also include strategies, of the kind implemented in my own Department, that touch the lives of ordinary Americans.



By one calculation, for example, 60% of the jobs created in the year 2000 will demand technology skills now held by less than 25% of our workers. But the year 2000 is no longer some distant event; it arrives in less than 1500 days.

Finally, I believe that your vision of the future should stress the importance of reconciliation -- the same call to civility that you emphasized earlier this year.

Sometimes in popular culture, calls for tolerance are depicted as naive. That is because some people fail to understand that tolerance and reconciliation are ingredients of strength, not charity. We welcome diversity of background and a free expression of views because we know that using each person's talents will make us all stronger.

Just as the Brooklyn Dodgers were a stronger baseball team after Jackie Robinson took the field, so, too, we are a stronger nation when we understand that we are all on the same team -- fighting in a brutal world of international competition and foreign strife for the simple hope that our work will be rewarded; that our families will be strong and that our children will live even better lives.

THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

December 21, 1995

MEMORANDUM

TO: Kitty Higgins
Don Baer

FROM: Federico Peña

RE: Themes and Messages for the State-of-the-Union Address

You asked for my recommendations concerning potential themes and messages for the President's upcoming State-of-the-Union address.

The four-prong message the White House has been using (Leadership/Family/Opportunity/Common Ground) has proven very effective indeed. I believe the element of Family -- particularly the view of broader family or community typified by Americans' support for victims of Oklahoma City and the many natural disasters that have occurred in recent years -- should particularly be emphasized.

Within each of these overall themes, however, we believe the State-of-the-Union should highlight another aspect of Administration policy -- "Keeping Promises." At base, voters are dissatisfied because they see a disconnect between the promises of political candidates and campaigns and the actual execution of government policy. It is particularly important to address this concern as we move into this next year. And we have a terrific story to tell -- promises kept that don't receive much attention in the conflict-focused national media. (An effective variation on this theme is to contrast talk -- especially from members of Congress and the rest of the Washington establishment -- with real change-oriented action.)

The revitalization of America's economy was the central theme of the President's 1992 campaign, and the results are plain. As part of this core message, the President also emphasized the importance of "Rebuilding America" to compete economically. Here, too, we have some real achievements worth highlighting. Several from the transportation world are outlined below, using speech-style rhetoric to illustrate how it might work.

REBUILDING AMERICA

In 1992, I saw the way our Nation's transportation system -- highways, bridges, railroads and ports -- affect Americans in their everyday lives. Vice President Gore and I traveled much of the country in buses, talking to all kinds of people -- at a truck stop in Carlisle, PA, along U.S. Highway 51 in Sandoval, IL and in countless towns along the highways. During our first bus trip, from New York City to St. Louis, Mo, I made a commitment to rebuild America. I'm proud to say my Administration has done just that. We've invested more in highway and bridge construction than any comparable period before -- more than $40 billion. This means faster, safer travel for the American people.

But we've also done something more, because we know: it's not how much you spend, but how you spend the public's money. So we've worked hard to make better, more strategic investments -- to get more bang for the buck -- and to get the private sector to invest more. I'm proud to say that by cutting red tape and giving state and local government more flexibility, we've managed to jump start $2 to $3 billion worth of construction projects that otherwise never would have happened at all -- and without using any additional Federal funds. We've also built public-private technology partnerships like the one for Interstate 75 where high-tech transponders and micro-chips mean big rigs roll safer and more efficiently from Florida to Michigan, and cut millions of dollars in delivery costs.

The improvements to our infrastructure help us to move people and goods more quickly, so Americans can spend more time at home with their families and so we can solidify our position as the most dynamic economy in the world.

AVIATION

One of the first things I did when I came into office was to appoint a special Commission to look into the condition of the airline and aerospace industries. These industries, in which America had always led the world, were on the a tremendous downswing. The industry lost $10 billion in 1990-92 and suffered as major carriers like Eastern and Pan Am went bankrupt.

Today, the airline industry is in the midst of the transportation turnaround of the decade, thanks in large part to the work of that commission and this administration's economic policies. I am proud to tell you that our major carriers earned over $2.1 billion this year -- record levels, for many of them -- and not a single one is in bankruptcy. In fact, there are more new companies entering the aviation business than ever before. This means more jobs -- for people who build airplanes and work in airports, for example -- and it means better, cheaper airline service for all Americans.

Part of this success has been opening up new foreign markets for our airlines. In the past three years, the Administration has negotiated 28 new bi-lateral aviation agreements, including 10 "open-skies" agreements with European nations, a Canadian accord which has led to a 25

percent increase in service, and Asian treaties which will form the critical transportation links to these key emerging markets for our cargo and passenger carriers.

MARITIME

As a candidate, I visited this country's docks and shipyards and met with many of the tens of thousands of shipbuilding workers who had lost their jobs. I called attention to this national tragedy. And in San Diego, CA I pledged to help turn the industry around.

We came through. In 1993, the administration launched a five-part National Shipbuilding Initiative. Since then, there has been a tremendous industry resurgence. Given the tools and a level playing field, I knew that the workers in Mobile, Alabama and Newport News, Virginia could compete globally, and we've helped put them back in business building ships. My Administration's loan guarantee program has helped these and many other shipyards to completely modernize so they could compete with the Europeans and the Japanese. In 1995, the program paved way for construction of 36 commercial vessels and $502 billion worth of business in American shipyard, creating thousands of new jobs. One of my proudest moments as President came when one worker from the San Diego shipyard who had come to Washington to participate in the announcement of our shipbuilding initiative said to me: "Thank you, Mr. President. We're used to politicians forgetting about us after the campaign. You didn't, and you came through." [Note: this is a paraphrase; exact quote to be checked.]

SOCIAL SECURITY

Office of the Commissioner

December 20, 1995

MEMORANDUM TO THE PRESIDENT

FROM: SHIRLEY S. CHATER
COMMISSIONER OF SOCIAL SECURITY

SUBJECT: STATE-OF-THE-UNION ADDRESS

As requested, I am forwarding my recommendations for themes and messages to possibly be included in your State-of-the-Union Address in January. My suggestions are as follows:

1. The need for intergenerational cooperation

All too often, debates on national issues divide generations of Americans instead of bringing them together. If we, as a nation, are going to develop long-term solution to issues facing our country, all of us, young and old alike, must be willing to work together for a common goal.

Social Security and Medicare are perfect examples of issues that require intergenerational cooperation. Today's seniors and tomorrow's workers must decide the future of these programs together because all Americans, regardless of their ages, are impacted by Social Security and Medicare.

For two of every three senior citizens, Social Security represents more than 50 percent of annual income. For 14 percent of Americans age 65 and older, Social Security is 100 percent of income.

In addition, Social Security benefits young workers through survivors and disability protection. Younger Americans face roughly a 1-in-5 chance of dying before reaching age 65. If the unthinkable happens, Social Security is there with average protection equivalent to a $295,000 life insurance policy.

A 20-year-old worker stands nearly a 1-in-3 chance of becoming disabled before age 65. Once again, Social Security is there if the unthinkable occurs--with disability protection which on the average is equivalent to a $203,000 disability policy for an average income earner with a spouse and two children.

Social Security is much more than retirement. It is a program that affects all Americans. As a result, we all must work together to preserve and protect it.

2. The need to make "tough decisions" about our country's future

"No pain, no gain" is a familiar phrase and one that all Americans should keep in mind. As we move forward in the resolution of national issues, Americans must be prepared for a series of "give and take." Individually, we may not be happy with the resolution of each issue, but as a nation we can be satisfied in the fact that we are doing what's right for America's future.



A specific example of a tough decision involves the future of Social Security. Although Social Security is solvent today, a time will come when Social Security cannot pay full benefits. Two groups--the Kerry-Danforth Commission and the Social Security Advisory Council--examined the issue of solvency earlier this year and could not agree on a solution.

Both groups did agree, however, that tough choices must be made in order to make Social Security financially sound. At some point, Americans of all ages must decide on the future of Social Security. The earlier the tough choices are made, the less drastic they will have to be. Ultimately, everyone will have to sacrifice a little for the good of the country's future.

It's not that young workers and Baby Boomers don't want a Social Security program. In fact, a study commissioned by AARP found overwhelming support by Americans for Social Security. The problem is that many young people don't believe Social Security will be there for them.

Since Social Security affects Americans of all generations, it's important that the voices of senior citizens, Baby Boomers and Generation X be heard in the debate. As in the past, any major change in the Social Security program must involve bipartisan cooperation and must be the result of an engaged American public.

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20410-0001

M E M O R A N D U M

TO: Don Baer

FROM: Bruce Katz

RE: State of the Union Themes

DATE: December 21, 1995

Over past few months, the NEC has led an interagency process to generate ideas on community empowerment (in fact a principals meeting was held as recently as this past tuesday). From these and other meetings, there is widespread consensus emerging among the Cabinet and key folks in the White House and OMB that the essential elements of a community empowerment strategy are as follows:

- increasing access to capital for business development
- reclaiming abandoned land in central cities
- transforming public housing -- which includes demolishing the worst of the public housing stock
- reinventing the federal government's relationship to local governments -- i.e. decentralize and "put communities first"
- linking people to work

What these concrete policy elements have in common -- and what could be a vital part of a powerful State of the Union message, are the following community empowerment themes:

- putting communities first
- strengthening our central cities
- getting devolution and decentralization right
- insisting on reciprocity for government benefits
- asserting that the government has a vital role to play

Focusing on these themes is not only the right substantive approach to community empowerment, but it also has strong appeal to middle-class values -- as these themes focus on work, personal responsibility, private sector leadership and public service.

Following are suggestions for articulating these themes. Many of these are elaborated on in *Where We Live*, a document which outlines HUD's plans for its second stage of reinvention. You should have already received this report from the Secretary.

Put Communities First

Generating economic opportunities (good jobs) is important to our ability to compete and succeed in the global economy. But many people will not succeed in these turbulent times unless their community roots -- families, neighborhoods, schools, churches -- are strong. To best help families thrive, we must first focus on strengthening our communities for the 21st century.

That means recognizing two realities: First, that our national well-being rests on the health of our communities; and second, in an era of budget belt-tightening, we need a laser-like focus of federal resources on meeting community needs -- maximizing those resources by building partnerships among local governments, businesses, non-profits and state/federal governments. In particular, it's right for the President to challenge the private sector, especially the business community, to take an active partnership role in fixing our most distressed communities. Facing the new century, we must ensure that all our actions support the foundations of economic and civic health, uplifting mainstream values. (Offer a Covenant with America's Communities).

Strengthen Our Central Cities

Focus on the importance of central cities -- and their links to the larger metropolitan area -- as the anchors of America's economy. Our national economy is increasingly a system of metropolitan regional economies which need economically vital central cities to thrive. The destinies of metro areas are tied to the performance of their cities; while some suburban residents may want to ignore the plight of cities -- and don't see it as connected to their lives -- we can't afford to abandon these engines of economic growth and must find ways to reinvest.

Decentralize with a Vengeance

If we are going to really put more power into people's hands to shape their destinies, we need to push federal programs to the front-lines, past state bureaucracies and into effective and flexible partnerships with communities. Block granting to states is short-sighted and will be ineffective; a real community empowerment strategy would radically restructure federal agencies to make them focus on building safe, strong and hopeful communities, not on enlarging Washington bureaucracies. (That means any community empowerment strategy we propose should extend federal reinvention to the federal government's relationships with

States and local communities).

To really decentralize, we must trust and listen closely -- and then help empower -- the people in the trenches -- parents, teachers, law enforcement, community leaders, social workers, shop owners and church leaders. As we pursue this kind of dramatic decentralization -- for the first time in decades -- we must also find the common sense balance between cutting communities loose with no federal help and strangling them to death with federal regulations and red-tape.

Insist on Conditionality

Americans, and often many poorer inner city residents, understand and support the balancing of rights and responsibilities. This acknowledgement of reciprocity in acceptance of society's benefits has led to a readiness to accept stricter personal and moral conditions on program benefits. Our society -- especially inner city residents -- is prepared to go a good deal further than many might expect in accepting the discipline of work, service and responsibility. This framework can, and should, be applied much more broadly than welfare reform.

The right to a good education means kids must do their homework and parents must hold their children accountable (and help out). Having safe streets mean community residents must work closely with local police. Program examples: Getting a job and work skills in a HUD lead-paint abatement program means that single fathers accept responsibility to attend pre-natal and pediatric appointments, complete a curriculum on fatherhood and participate in a support group. A public housing addiction recovery program assists single mothers if they pledge to stay away from drugs, go without TV, help their children with homework and keep their apartments clean.

"We Can Do This"

Americans are ready for someone to confront their pervasive feeling that nothing works and that none of the efforts we make at solving our most intractable national problems make a difference. Many still believe that government has a vital role to play in solving our national problems, but they're not confident of the federal government's ability to make programs work and deliver results. In addition to substantive reinvention efforts, the words "we can do this" are critical to our national sense of optimism and hope. People know that our major social and economic problems -- especially those in our urban areas -- are profoundly complex , but they also know these problems are not going to go away, and they're ready for strong leadership to tell them that we can overcome our challenges and show the way towards what's already working.

UNITED STATES
OFFICE OF PERSONNEL MANAGEMENT
WASHINGTON, D.C. 20415

OFFICE OF THE DIRECTOR

December 21, 1995

MEMORANDUM FOR KITTY HIGGINS
ASSISTANT TO THE PRESIDENT
AND SECRETARY TO THE CABINET

DON BAER
ASSISTANT TO THE PRESIDENT AND DIRECTOR OF
COMMUNICATIONS

FROM: JAMES B. KING
DIRECTOR

SUBJECT: State-of-the-Union Themes and Messages

I recommend the following two messages be included in next month's State-of-the-Union address:

I. FEDERAL EMPLOYMENT DROPS BELOW 2 MILLION FOR FIRST TIME SINCE 1966 -- ELIMINATING AN ENTIRE GENERATION OF GROWTH IN GOVERNMENT

OPM data shows that, in October, the Clinton-Gore Administration attained a major achievement when the Federal government's total, on-board civilian workforce fell below two million for the first time since May, 1966. As the attached chart shows, Federal employment dropped to 1,980,170, which reflects a reduction of 204,530 employees since January, 1993. This figure includes part-time and seasonal workers.

While our figure is not the Full-Time Equivalent (FTE) number that is sometimes used, we believe the total, on-board workforce figure better reflects the actual size of the government and is easier to communicate to the public.

II. FEDERAL GOVERNMENT SET TO SPIN-OFF FIRST ESOP -- REPLACING TAXPAYER-FUNDED JOBS WITH PRIVATE SECTOR OPPORTUNITIES

OPM is in the final stages of negotiations that will enable some 700 skilled investigators now on the Federal payroll to leave government and create a private, employee-owned company. This new private-sector enterprise will conduct background investigations both for the government and for the private sector.

This is the Federal government's first privatization of its kind and can be a model for moving other employees from the public payroll to the private sector.

For more information, please call Janice Lachance on 606-1800.

Attachments

12/18/95

Trend of Federal Civilian On-Board Employment for Executive Branch (non-Postal) Agencies

These figures represent total on-board employment - not FTE's and include all work schedules (full-time, part-time, intermittent), and tenure groups (permanent and temporary)

January 1993 through October 1995

	Month	Total	Change from Prev. Month	Cumulative Change since Jan. '93
1993				
	January	2,188,700		
	February	2,197,937	9,237	9,237
	March	2,193,890	-4,047	5,190
	April	2,186,245	-7,645	-2,455
	May	2,186,755	510	-1,945
	June	2,198,963	12,208	10,263
	July	2,183,131	-15,832	-5,569
	August	2,178,540	-4,591	-10,160
	September	2,156,844	-21,696	-31,856
	October	2,136,358	-20,486	-52,342
	November	2,127,496	-8,862	-61,204
	December	2,120,463	-7,033	-68,237
1994				
	January	2,113,692	-6,771	-75,008
	February	2,123,448	9,756	-65,252
	March	2,119,019	-4,428	-69,681
	April	2,117,292	-1,727	-71,408
	May	2,110,334	-6,958	-78,366
	June	2,112,533	2,199	-76,167
	July	2,107,582	-4,951	-81,118
	August	2,099,555	-8,027	-89,145
	September	2,085,492	-14,063	-103,208
	October	2,061,515	-23,977	-127,185
	November	2,048,493	-13,022	-140,207
	December	2,039,882	-8,611	-148,818
1995				
	January	2,028,078	-11,804	-160,622
	February	2,033,404	5,326	-155,296
	March	2,030,046	-3,358	-158,654
	April	2,027,480	-2,566	-161,220
	May	2,037,427	9,947	-151,273
	June	2,051,719	14,292	-136,981
	July	2,047,573	-4,146	-141,127
	August	2,037,190	-10,383	-151,510
	September	2,011,870	-25,320	-176,830
	October	1,984,170	-27,700	-204,530

Notes: By Executive Order 12839, on February 10, 1993, the President ordered a reduction of 100,000 full-time equivalent positions during the FY 1993-1995 period.

In a memorandum to Department/Agency Heads in September 1993, the President increased this number to 252,000 through FY 1999.

The Work Force Restructuring Act of March 30, 1994 further increased this number to 272,900 through FY 1999.

SOURCE: *U.S. Office of Personnel Management*
Office of Workforce Information
Monthly Report of Federal Civilian Employment (SF 113-A).

TREND OF FEDERAL CIVILIAN ON-BOARD EMPLOYMENT FOR EXECUTIVE BRANCH (NON-POSTAL) AGENCIES

Average Employment by Calendar Year

CALENDAR YEAR	EXECUTIVE BRANCH
1960	1,814,766
1961	1,814,225
1962	1,877,131
1963	1,895,670
1964	1,877,940
1965	1,891,580
1966	2,035,515
1967	2,206,636
1968	2,220,369
1969	2,235,199
1970	2,177,246
1971	2,123,176
1972	2,107,628
1973	2,068,135
1974	2,112,470
1975	2,134,410
1976	2,138,600
1977	2,145,771
1978	2,176,759
1979	2,181,739
1980	2,274,269
1981	2,180,837
1982	2,149,206
1983	2,164,132
1984	2,184,927
1985	2,218,346
1986	2,197,590
1987	2,222,589
1988	2,222,933
1989	2,237,528
1990	2,344,168
1991	2,228,974
1992	2,231,535
1993	2,171,277
1994	2,094,903
1995	

DEPARTMENT OF HEALTH & HUMAN SERVICES

Office of the Secretary

Washington, D.C. 20201

MEMORANDUM

To: Kitty Higgins, Don Baer

From: Dan Porterfield, DAS for Public Affairs, HHS

Subject: State of the Union speech

Date: 12/21/95

Secretary Shalala mentioned two themes for the speech.

First, and most important, she believes the speech should be bold and visionary. The President should speak to the American people as citizens, and not simply as taxpayers. The speech should be about the future of our country, and about our obligation as Americans to protect the hard-won legacy of the 20th century while having the courage to address the new challenges of tomorrow.

This century we won two world wars and the Cold War. We met the challenge of Sputnik. We integrated our society and shattered glass ceilings. We built a strong safety net for children and transformed the experience of growing old.

How did this happen? At our best, we committed ourselves to bold and relentless progress. We put the common good and common ground first. And we moved forward in a true spirit of partnership -- with citizens, families, communities, and states all doing their part, and the national government helping and sometimes leading.

Today, this tradition has been placed under seige. There are some politicians and special interests who, under the misleading mantle of federalism, are really trying to abolish the partnership between the national government and its people. That may be an opportunistic campaign theme -- but it's be bad for the country. We need limited government -- not absent government.

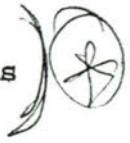
Because we do have a national interest in ensuring that work pays in this country. In guaranteeing a quality education to every child. In making sure that seniors can see a doctor and poor children are able to eat. In keeping tobacco out of the hands of children and guns out of the hands of criminals. In preserving the freedom of parents to raise their children as they want. In opening new international markets for our products and preventing international anarchy when we can.

These are American values that define us as a nation -- and preserving and achieving them requires federal leadership. We have shown that leadership for three years. We have achieved truly national goals for all our people -- everything from lowering the homicide rate to lowering the welfare rolls; from

collecting record levels of unpaid child support to helping states increase the number of their citizens with health insurance; and from achieving the highest immunization rates in history to funding breakthrough discoveries against breast cancer and AIDS. This is good government, responsible government, limited government. We ought not give up on it.

Second, Secretary Shalala recommends that the President discuss the importance of a truly national partnership to help parents in the most important role any of us will ever: raising children.

The fact is, millions of parents are worried about the things their children are exposed to when they are outside the home: Alcohol. Tobacco. Drugs. Teen pregnancy. AIDS. Violence. As one parent said in The Washington Post, "I went from wanting my son to win the Nobel Prize to wanting him to survive."



Even as they worry about their children, parents are frustrated that they have less control than they would like. Many parents are working longer hours with less job security. They have less time to spend with their children. They're finding it harder to pay today's grocery bills while saving for tomorrow's college bills.

There are more families in which both parents are working. There are more single-parent families. There are fewer families that feel connected to strong, supportive communities. And there is more competition for their children's attention -- too often from influences like tobacco ads or glamorized images of drug use.

Secretary Shalala recommends that the President speak directly to the hopes, dreams and fears of these parents. As parents of a teenager, he and Mrs. Clinton deeply understand these concerns.

The President should tell America's parents that he stands with them. That's why he has taken on powerful interests -- the NRA, the media/entertainment industry, and the tobacco industry -- to put power back in the hands of parents. That's why he and his Cabinet have sent a clear and consistent message that it is illegal, dangerous, and wrong from children and teenagers to use drugs, alcohol, and tobacco. That's why he has led the fight for a private sector campaign to reduce teen pregnancy and lent his voice to the cause of AIDS prevention. That's why he has fought for young people in the budget battles -- gaining victories to ensure that summer jobs, drug free schools, and college loans are always there to give young people real options to say "yes" to. And that's why he has reached out to young people himself with a message of opportunity and responsibility.

Teenagers aren't just our national future -- they are our national present. They deserve safe passages, and we all must help them.

Thank you.

Administrator
General Services Administration
Washington, DC 20405

December 21, 1995

MEMORANDUM FOR KITTY HIGGINS
Secretary, White House Office of Cabinet Affairs
DONALD BAER
Director, White House Office of Communications

FROM: ROGER W. JOHNSON
Administrator, U.S. General Services Administration

SUBJECT: Call for Suggestions for State of the Union Address

Thank you for the opportunity to share with you my ideas for themes and ideas for inclusion in the President's 1996 State of the Union address.

Domestic Policy

The President is perhaps never stronger than when he appeals to the American people's higher self and better nature. The President can rise above the nasty noise level of present-day ideologues by elevating his discussion with the Congress and the American people to a broader theme of what is needed in our political system to move the country forward and meet the challenges of the next century.

Much as he did in 1992 and since -- although the message has been grossly distorted -- the President can speak to the fact that old ideologies, as well as the newer, harsher mix of populist-libertarianism couched as conservatism, will not provide the solutions to new challenges brought on by economic and cultural transformations. He can recognize that old so-called liberal solutions will not meet the challenges, while pointing out the fact that the calls to dismantle the federal government by "devolving" federal programs to the states without measurements or standards of accountability is nothing more than an abdication of responsibility. There is a need for a strong federal government, but one that works in partnership with state and local governments and the private sector, and one that is flexible and more responsive to changing needs. Then the President can easily transition into his accomplishments under the National Performance Review framing them into language to which working Americans can relate (see attached letter to the Vice President, Columbus Dispatch article and *GSA Message from the Administrator* as examples).

Foreign Policy

In explaining why American involvement is needed in Bosnia and other foreign trouble spots, the President's speech before the British Parliament last month, which called for fighting the "forces of destruction," was again an appeal to our higher and better nature as Americans (see "Clinton Calls for a War on 'Forces of Destruction,'" L.A. Times, November 30, 1995). It was a concise message that best explained why America cannot retreat from its leadership role in foreign affairs. In fact, the President should repeat this message constantly until it becomes known as the Clinton Doctrine.

If you would like to discuss these issues in greater detail, please do not hesitate to call.

Federal Recycling Program Printed on Recycled Paper

Administrator
General Services Administration
Washington, DC 20405

December 19, 1995

The Honorable Albert Gore, Jr.
Vice President of the United States
The White House

Dear Mr. Vice President:

It is not The Washington Post, The New York Times, or The Wall Street Journal (yet) but it sells in Columbus! (see enclosed article) A week earlier we put out a press release reporting a $600 million savings from the latest FTS-2000 negotiations and got no coverage, to speak of - but 3 1/2 cents per minute gets attention.

I believe we should expand this approach across all of N.P.R. activities including specific customer service improvements, as well as stating savings and service improvements in "people understandable units." One easy step would be to put out a weekly/monthly N.P.R. talking points bulletin focused on unit bites. Agency and White House speech writers should also receive the bulletin. If you have any questions, please do not hesitate to contact me. See you soon.

Sincerely,

Roger W. Johnson

Enclosure

cc:
Elaine Kamarck
Bob Stone
John Koskinen
Don Baer

Federal Recycling Program Printed on Recycled Paper

TOTAL P.01

Federal government is saving money, GSA chief says

■ *Employees are making day-to-day savings that don't make news, Roger W. Johnson says.*

By Darrel Rowland
Dispatch Business Reporter

For just a moment, forget the heated rhetoric over billions of dollars in the federal budget battle, says Roger W. Johnson, administrator of the U.S. General Services Administration.

Instead, consider a cheap plane ticket, an inexpensive long-distance call and an economical car rental rate.

Such little publicized, day-to-day thrifti-ness shows that real savings can be made in the federal government, he said.

"You can make government work better and cost less," Johnson told about 400 county officials yesterday at the Greater Columbus Convention Center.

Johnson, in his first public sector job after 30 years in business, is the highest-ranking Republican in the Clinton administration. He formerly was chairman and chief executive officer of Western Digital, a Fortune 500 computer company in California.

People have become so cynical about the federal government that they don't believe true accounts of money being saved, he said.

The plane ticket he cited cost $242 to fly round trip between Washington, D.C., and Los Angeles, which normally costs about $780.

The calls he made yesterday to his Washington office from Columbus cost him 3½ cents a minute, compared with the best business rate of about 9 cents. And the rental cars his agency provides to federal employees cost only $196 a month for a four-door sedan.

These deals were negotiated by General Services workers who have brought competition and creative approaches to the business arm of the federal government, said Johnson, whose agency oversees $50 billion in spending.

"Things do work better in Washington today," he said.

The more businesslike atmosphere gets little attention because "there's no political profit or reward in Washington for professional managing," Johnson said.

A lifelong Republican and "flaming moderate," Johnson openly complained about George Bush in an October 1991 article in the *Los Angeles Times* and mentioned that he could support the right Democrat. A couple of days later the governor of Arkansas called.

Johnson said Bill Clinton's reputation as a waffler is unjustified, calling him "the most issues-oriented president since Harry Truman."

Meanwhile, Johnson labeled the leadership of his fellow Republicans as "kind of nasty right now" and said the GOP push to balance the budget is really a subterfuge for dismantling portions of the federal government.

Johnson lauded Clinton for reducing the deficit for three consecutive years and trimming thousands of employees from the federal payroll. He said the federal government's operating budget (which doesn't include interest payments on the national debt) is balanced.

"The Democrats are the most marketers I've ever seen," he said. "Meanwhile, the Republicans are good marketers, but don't have a quality product."

Message From The Administrator

This year, GSA continued to make President Clinton's promise to make "government work better and cost less" a reality. Although the environment in Washington has made this past year difficult and sometimes uncertain, we have continued to focus on our mission using customer service and common sense management. While others try to paint federal employees as "faceless," we have never forgotten that GSA is an agency of people serving people. They are our customers, and we know that the better we serve them, the better we can all serve taxpayers. It just makes common sense!

Working together, we have been reshaping our agency and rethinking our business for over two years. And as you can see in the accomplishments outlined below, we are making real, lasting changes:

- ***Time Out and Review of Public Buildings Yields $1.36 Billion in Savings, Better Construction Management***
  Our "Time Out and Review" of the federal building program cut $1.36 billion from new real estate projects. An outgrowth of the review is the new Courthouse Management Group to ensure cost-effective and efficient construction of federal courthouses. Adopting business-like real estate principles into our program will ensure long-term savings.

- ***Changing Major Computer Purchases Avoids Over $7 Billion in Unnecessary Spending***
  Taxpayers were not getting a good return on their investments in major federal government computer systems, so we imposed a "Time Out" that avoided spending $7.4 billion for computer systems with cost overruns and other problems. Greater use of interagency teams, independent auditors, performance measurements, and Chief Information Officers will produce more efficient, less costly systems.

- ***Unrestricted Coast-to-Coast, Round-Trip Airfares for $242***
  Our unrestricted airfares with major airlines are on average 50% lower than commercial rates. Where else can you get a round-trip ticket from Washington to California for $242 on short notice?

- ***Rent a Car for $136 a Month***
  We lease four-door sedans to other agencies for $136 a month, plus 11 cents a mile for fuel and maintenance. Consolidating vehicles from other federal agencies into its fleet management program last year saved taxpayers $7.2 million, and other management improvements have saved an additional $22.8 million.

- ***Long-Distance Service for Just Over 3 Pennies per Minute***
  Our common sense management of the FTS2000 long-distance network has drastically cut costs. Due to a recompetition in the contract, federal customers now pay just 3 1/2 pennies per network minute, saving taxpayers $200 million a year. Overall costs under FTS2000 during the past 7 years have been reduced by 80%, saving nearly $5 billion compared to the old long-distance program.

(more)

- *It Pays to Use the American Express Government Travel Card – Literally!*
  Our contract with American Express Travel generates affinity refunds every time federal employees use the card for official travel. These refunds -- estimated at $20 million a year -- go back to agencies to offset travel-related expenses.

- *Government Purchase Card Saves Money and Headaches*
  With the increased use of the government purchasing card, federal agencies get better, faster service and will save $475 million by eliminating administrative headaches.

- *Expansion of Electronic Commerce, 'GSA Advantage!' and Other Initiatives*
  We are a leader among interagency teams working to eliminate burdensome, costly paper-driven procurement, while increasing accountability in government spending by expanding the use of electronic commerce. In fact, with ***GSA Advantage!***, federal customers can get supplies through the Internet and have them directly delivered to their desks with a few strokes of a keyboard. And our energy and recycling programs are proving that sound environmental policies can also save tax dollars.

So far, our customer focus and common sense have netted taxpayers over $12 billion in savings or cost avoidances. We've done all this with a workforce streamlined by 20% – with no layoffs -- and operating costs cut by 17%. Our efforts have been recognized by Vice President Gore and the National Performance Review. GSA employees have received 17 Hammer Awards from the NPR to recognize excellence and creativity in public service.

As impressive as these accomplishments are, we must continue to define and shape GSA. And we are doing that, as we dig deeper into our operations through the FORM analysis to search for ways to improve our performance and service. In the end, this analysis will set us on a path of continuous improvement to create a culture of common sense management to build a common sense government that works better and costs less.

It has been a challenging year, but we have met those challenges and are moving forward. I thank you for all your hard work and perseverance. Let us now take time during this holiday season to rejuvenate our spirits and to celebrate the season with our families and friends. I wish you and your loved ones good health and happiness now and for the coming year.

Roger W. Johnson
Administrator

December 21, 1995

The President's Cabinet

The Honorable Warren Christopher
Secretary of State
1
2201 C Street, N.W.
Room 7226
Washington, D.C. 20520

The Honorable Robert E. Rubin
Secretary of the Treasury
2
15th Street & Pennsylvania Avenue, N.W.
Room 3330
Washington, D.C. 20220

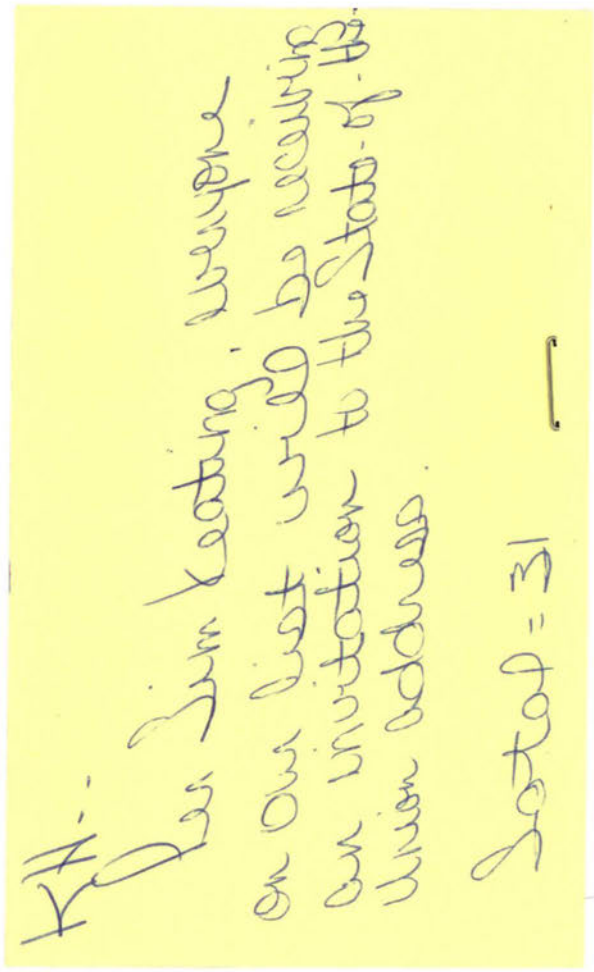
The Honorable William J. Perry
Secretary of Defense
3
1000 Defense Pentagon
Room 3E880
Washington, D.C. 20301-1000

The Honorable Janet Reno
Attorney General of the United States
4
10th & Constitution Avenue, N.W.
Room 5111
Washington, D.C. 20530

The Honorable Bruce Babbitt
Secretary of the Interior
5
1849 C Street, N.W.
Room 6156
Washington, D.C. 20240

The Honorable Daniel R. Glickman
Secretary of Agriculture
6
14th Street & Independence Avenue, S.W.
Second Floor
Washington, D.C. 20250

The Honorable Ronald H. Brown
Secretary of Commerce
7
14th Street & Constitution Avenue, N.W.
Room 5852
Washington, D.C. 20230



8 The Honorable Robert B. Reich
Secretary of Labor
200 Constitution Avenue, N.W.
Room S2018
Washington, D.C. 20210

9 The Honorable Donna E. Shalala
Secretary of Health and Human Services
200 Independence Avenue, S.W.
Room 606G
Washington, D.C. 20201

10 The Honorable Henry G. Cisneros
Secretary of Housing and Urban Development
451 Seventh Street, S.W.
Room 10000
Washington, D.C. 20401

11 The Honorable Federico Peña
Secretary of Transportation
400 Seventh Street, S.W.
Room 10200
Washington, D.C. 20590

12 The Honorable Hazel R. O'Leary
Secretary of Energy
1000 Independence Avenue, S.W.
Room 7A-257
Washington, D.C. 20585

13 The Honorable Richard Riley
Secretary of Education
600 Independence Avenue, S.W.
Room 6161
Washington, D.C. 20202

14 The Honorable Jesse Brown
Secretary of Veterans Affairs
810 Vermont Avenue, N.W.
Room 1000
Washington, D.C. 20420

15 The Honorable Carol M. Browner
Administrator of the Environmental Protection Agency
401 M Street, S.W.
Room 1200
Washington, D.C. 20460

16 The Honorable Alice M. Rivlin
Director of the Office of Management and Budget
Old Executive Office Building - Room 252
Washington, D.C. 20503

17 The Honorable Joseph E. Stiglitz
Chairman
Council of Economic Advisors
Old Executive Office Building - Room 314
Washington, D.C. 20503

18 The Honorable Madeleine K. Albright
Ambassador to the United Nations
2201 C Street, N.W.
Room 6333
Washington, D.C. 20520

19 The Honorable Mickey Kantor
United States Trade Representative
600 Seventeenth Street, N.W.
Room 209
Washington, D.C. 20506

VACANT
Director of the Office of National Drug Control Policy
750 17th Street, N.W.
8th Floor
Washington, D.C. 20500

20 The Honorable Phil Lader
Administrator of the Small Business Administration
409 3rd St., S.W.
Room 7000
Washington, D.C. 20416

21 The Honorable Leon Panetta
White House Chief of Staff
The White House
1FL/WW
Washington, D.C. 20500

The Honorable Mack McLarty
22 Counselor to the President
The White House
GFL/WW
Washington, D.C. 20500

The Honorable John Deutch
23 The Director of Central Intelligence
Headquarters Building - Room 7D56
Washington, D.C. 20505

ADM
31 Tony Lake

The Honorable James Lee Witt
Director - Federal Emergency Management Agency
500 C Street, N.W.
Suite 828
Washington, D.C. 20472

The Honorable James B. King
Director - Office of Personnel Management
1900 E Street, N.W.
Room 5A07
Washington, D.C. 20415

The Honorable Joseph D. Duffey
Director - United States Information Agency
301 Fourth Street, S.W.
Room 800
Washington, D.C. 20547

The Honorable Roger W. Johnson
Administrator - General Services Administration
General Services Building
18th and F Streets, N.W.
Room 6137
Washington, D.C. 20405

The Honorable Shirley Chater
Commissioner - Social Security Administation
1825 Connecticut Avenue, N.W.
Room 714
Washington, D.C. 20009

(Is Shirley acting?)

The Honorable Laura Tyson
Assistant to the President
for Economic Policy
The White House
Washington, D.C. 20500

The Honorable Carol Rasco
Assistant to the President
for Domestic Policy
The White House
Washington, D.C. 20500

CLOSE HOLD

Document No. _____

WHITE HOUSE STAFFING MEMORANDUM

DATE: 01/16/96 ACTION/CONCURRENCE/COMMENT DUE BY: ASAP on Wednes. A.M.

SUBJECT: PRESIDENTIAL REMARKS: STATE OF THE UNION

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☑	☐	McCURRY	☑	☐
PANETTA	☑	☐	McGINTY	☑	☐
McLARTY	☑	☐	NASH	☐	☐
ICKES	☑	☐	QUINN	☑	☐
LIEBERMAN	☑	☐	RASCO	☑	☐
RIVLIN	☑	☐	SOSNIK	☑	☐
BAER	☐	☐	STEPHANOPOULOS	☑	☐
CURRY	☑	☐	STIGLITZ	☑	☐
EMANUEL	☑	☐	STREETT	☐	☐
GIBBONS	☐	☐	TYSON	☑	☐
GRIFFIN	☑	☐	WALLEY	☐	☐
HALE	☑	☐	WILLIAMS	☑	☐
HERMAN	☑	☐	TOIV	☑	☐
HIGGINS	☑	☐	HAAS	☑	☐
KLAIN	☑	☐	SPERLING	☑	☐
LAKE	☑	☐	REED	☑	☐
LINDSEY	☐	☐	KAMARCK	☑	☐
			WALDMAN	☐	☑
				☐	☐

REMARKS: Please forward any comments directly to Michael Waldman ASAP on Wednesday morning. Thanks.

RESPONSE:

CLOSE HOLD

Staff Secretary
Ext. 6-2702

Draft January 16, 1996 9pm

PRESIDENT WILLIAM J. CLINTON
"AMERICA'S CHALLENGE"
STATE OF THE UNION ADDRESS
U.S. CAPITOL
JANUARY 23, 1996

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Mr. Speaker, Mr. Vice-President, Members of the 104th Congress, distinguished guests:

Tonight, I speak not only to you gathered here in this chamber and those across America, but also to the men and women of our armed forces who stand sentry around the world -- and particularly those who are helping peace to take root in Bosnia. To these warriors for peace, I say: we are proud of you.

My duty tonight under the Constitution is to report on the State of the Union. Not on the state of our government, or even on the state of individual Americans, but of our union -- how we as Americans together are building our national community and creating a more perfect union.

The State of our Union is strong -- as strong as it has ever been.

Through the hard work of the American people, our economy is the strongest it has been in three decades. The combined rate of unemployment and inflation is the lowest in 27 years. We are keeping the American dream alive.

Through the hard work of the American people, there is new hope for peace tonight -- from the cobblestone streets of Northern Ireland to the sands of the Middle East to the snows of Bosnia. We are keeping America the world's strongest force for peace and freedom.

And through the hard work of the American people, the crime rate is down, teen pregnancy is down, even divorce is down. We are coming together as a nation.

Exactly 200 years ago, President George Washington stood before the 4th Congress of the United States to deliver his annual message. America faced great uncertainty about a new century, a new economy and competing visions for how best to move into the future. President Washington could have spoken to the young nation about what divided it. But instead, he chose to talk about all that held us together -- in his words, of our mission to "unite our efforts to preserve, prolong and improve our immense advantages."

Much more unites us than divides us. That vision has rescued our nation every time we have been seriously tested. Throughout our history, we have come together around three

great ideals: First, our belief in progress -- that every American can dream of a better future, and that hard work can make those dreams come true. Second, our love of liberty. And third, our constant struggle to find common ground.

Now, at another moment of great change, our challenge -- America's Challenge -- is to find a way to preserve these old American ideals in new times. America's Challenge is to call on citizens in all walks of life to join together ... to win the war on crime, to renew our public schools for a new century, to give Americans health care and economic independence so they can be the winners of change.

The answers will not come from here in Washington alone, or from individuals acting alone. They will come from all of us, acting together -- in our communities, our churches, our businesses, our homes, our neighborhoods, and, when necessary, through our government. We must ask more of ourselves, and expect more from one another.

We will only rise to our challenges by speaking honestly about the duties we owe one another and the possibilities of what we as a nation can do together. So tonight, I want to speak directly about eight great challenges that America must meet as we move into the next century. For America was built on challenges, not promises.

America's first great challenge lies with all of us here tonight: to put our partisan differences aside and balance the budget.

It is wrong to leave our children a legacy of debt. I am proud that my administration cut the deficit nearly in half in 3 years. The federal government is now the smallest it has been since 1965. Now we must finish the job.

Earlier this month, I presented to the Congress a balanced budget with tough cuts in wasteful spending. According to the Congress own economists -- the Congressional Budget Office -- my plan makes real cuts and balances the budget in seven years.

And it balances the budget in a way that reflects our values.

We have a duty to honor our parents. And we can balance the budget without devastating Medicare or Medicaid. To anyone who would undercut Medicare, let me make myself clear: I will not let it happen.

We have a duty to our children, and to future generations. And we can balance the budget without cutting education or the gutting the environment.

We believe in work and responsibility. And we can balance the budget while ending welfare as we know it.

We believe in helping families who are trying to raise their children. We can balance

the budget while still providing a modest tax cut. And certainly without raising taxes on working families.

That's the right way to balance the budget. And if this Congress gives me the line-item veto, as you have pledged to do, I pledge tonight that I will balance the budget.

In recent weeks, I have spent many hours negotiating in good faith with the Republican and Democratic leaders of Congress. Already, we have agreed to more than enough spending cuts to balance the budget, with enough left over for a modest tax cut.

In his 1862 State of the Union message, President Lincoln said to another Congress: "We cannot escape history. We of this Congress and this administration will be remembered -- in spite of ourselves." We, too, will be remembered. So I say tonight to you, Mr. Speaker, to you Mr. Majority Leader, to all the leaders of this Congress: Let us not be remembered for partisan bickering. Let us be remembered for seizing this moment of national unity. For the sake of our children, for the sake of the country, let us balance the budget -- and do it now.

And finally, let me say this: America is the greatest nation on earth -- we are its leaders, and we must behave responsibly. No public servant should ever threaten the full faith and credit of the United States. And no public servant should ever -- ever -- shut down the government again.

Balancing the budget is the beginning of our challenges, not the end. Our second great challenge is to make sure that America faces up to our responsibility to lead the way to peace in the world.

This century -- the American century -- our country has led the fight for freedom and peace -- and won. Because we did, more people than ever before live free, more nations enjoy peace -- and our own people have had half a century of prosperity and security.

But as the Cold War fades, the voices of indifference and fear grow louder. They say America should retreat from the hard work of leadership. I say they are wrong. All over the world, people look up to America not only because we are strong -- but because of what we stand for -- and what we stand against. And though it imposes extra burdens on us, they trust us to help them seek the blessings of peace and freedom.

Because of our leadership, tonight, there are no Russian missiles pointed at our cities or citizens. More Americans have jobs here at home because we're working to open markets abroad. In Haiti, the dictators are gone, the democrats are back and the flow of refugees to our shores has ended. In Northern Ireland, girls and boys can now dream of the simple blessings of a normal life.

In the Middle East, Arabs and Jews are learning to live side-by-side. The American

people -- and I -- lost a great friend and partner when Yitzhak Rabin was taken from us. We can be proud, though, that the people of the Middle East have found the strength to go forward, in part because they know that America will stand with them, now and forever.

And, in Bosnia, the most terrible conflict in Europe since World War II is over -- because America stared down aggression and stood up for peace.

We have been able to do all of this because we kept our military strong... we invested in diplomacy and foreign assistance... we built alliances to share the risk and the cost of fulfilling our responsibility. We know we can't be everywhere. We can't do everything. But where we can make a difference -- and where our values and interests are at stake -- America must lead.

Our leadership is more important now than ever. Old threats have assumed new and dangerous dimensions -- ethnic and religious hatreds and aggression by rogue states. New threats are equal opportunity destroyers with no respect for borders -- the spread of weapons of mass destruction, terrorism, organized crime and drug trafficking. We must confront them.

If we do, we can cut the world's nuclear stockpiles by another XX percent -- and we will if Congress ratifies the START II treaty -- this year.

We can stop the development of an entire new generation of nuclear weapons -- and we will by signing a truly Comprehensive Test Best Treaty -- this year.

We can better control chemical and biological weapons -- and we will if Congress heeds my call to ratify the Chemical Weapons Convention -- this year.

We can enact stronger laws to fight terrorism and organized crime -- and we will if Congress finally passes legislation I proposed after Oklahoma City to give our law enforcement even stronger tools to fight terrorists.

We can help more people move from hatred to hope -- and we will, if Congress gives our diplomats the resources they need to remain leaders for peace.

We can do all of these things -- but only if we continue to lead. It has never been -- and it must never be -- the American way to hide behind the curtain of our fears. If we hold to that truth now, the next century will be an American Century too.

If we are to be strong abroad, we must remain strong at home. So America's third challenge is to crack down on violent crime, and turn our young people away from drugs and gangs.

For 3 years in a row, crime has gone down in this country. In New York, the murder rate dropped 25% in one year; in St. Louis, 18%; in Seattle, 32%. Government is living up

to its first responsibility, to keep its citizens safe . . . and citizens are living up to their responsibility, by coming out from behind closed doors and shuttered windows to help one another. Tonight, for the first time in decades, we can say that America is winning the battle against crime.

But we have not yet won the war. We still face the challenge to make the defense of our streets as important as the defense of our shores.

That means keeping guns out of the hands of criminals. Under the Brady Bill, already 45,000 criminals have been stopped from buying guns. And that is why, if anyone tries to repeal the Brady Bill and the assault weapons ban, I will veto it.

That means putting more police on the street through community policing -- walking the beat, working with neighbors, catching criminals and stopping crime before it happens. And if Congress tries to gut the law that will put 100,000 more police on the street, I will veto it.

In the days after the Oklahoma City bombing, Americans wore T-shirts with a simple slogan: "A society that makes war against its police officers had better learn to make friends with its criminals." Those officers put their lives on the line to protect us, every day. We owe them our help, our support, our gratitude, and most of all, our undying respect.

We can cheer the drop in crime. We cannot begin to meet our other challenges until we break the culture of crime that engulfs our young people. Crime among juveniles is the one kind of crime that continues to rise. A few years ago, I spoke to grade school children in South Central Los Angeles. They told me that their biggest fear was getting shot on the way to school -- and their second biggest fear was being forced to join a gang when they turn 12.

We need more efforts like the boys and girls clubs in Chicago to steer young people away from drugs and crime.

People who live in public housing should live decent lives without being terrorized by gangs. Tonight I am asking every housing authority to take all steps necessary to drive gangs from public housing. From now on, for public housing residents involved in drugs and crime, the rule will be: One strike and you're out. I am directing our nation's prosecutors to prosecute violent juveniles as adults. And I am directing the FBI and other enforcement agencies to target gangs that involve juveniles in violent crime. It is time to break the gangs the way we broke the mob.

We must slam shut the revolving door that lets violent criminals go free. I am proud that we passed the Violence Against Women Act, made three-strikes-and-you're-out the law of the land, and said that if you kill a law enforcement officer, you will get the death penalty. Tonight, I challenge judges, prosecutors, and legislators in every state to meet a new national goal that, by the year 2000, every violent criminal will serve out at least 85% of his sentence.

All of this will make a difference. But, my friends, we could put a million new police on the streets and build a million new prison cells, and we would not win this war on crime and drugs unless we all join together -- every one of us -- to fight this fight.

America's fourth challenge is to give our people the tools they need to make the most of their God-given potential and become the winners of economic change.

These are good times for America. For three straight years, we have had the strongest growth of any major economy. Businesses have created nearly 8 million American jobs. Three years ago, our auto industry was losing jobs. Today, it has gained over 700,000 jobs, and Detroit is beating Japan for the first time since the 1970s. Three years ago, we were losing jobs in construction; today, we have gained over 700,000. Small businesses started by women now employ more people than the Fortune 500. Home ownership is expanding more rapidly than ever before. (ck) Thanks in no small measure to the work of Vice-President Gore, we have cut 16,000 page of unnecessary rules and regulations -- so government costs less and works better to build our economy. And from coast to coast, remarkable new industries like biotechnology and telecommunications are leading the world into the 21st century.

In the industrial economy dominated by big companies, people got their health care, their pensions and their training where they worked. Today, in the information age, more and more people work in small businesses or at home. More than ever, we need to help people carry with them the fruits of their work -- their training, their health care, their retirement benefits -- so they can thrive in the new economy. We must not fear economic change. We must conquer it.

We can do this, if Congress passes my GI Bill for workers, which will give people a training voucher they can take to a community college or their next job.

We can do it, if we enact reforms so that insurance companies cannot deny you coverage or raise rates when you are changing jobs, because you or a member of your family have a preexisting condition. We should help give small businesses the same purchasing power to buy health care as big businesses, make it easier for women to get mammograms every year, and find a way to ensure that if you lose your job, you don't lose your health care.

We can do this, if we cut through red tape to make it easier for small business to

provide pensions for their employees, so that every American can share the responsibility of saving for retirement. I propose that every American be allowed to join the federal workers retirement system. If it is good enough for federal workers, it should be good enough for employees of small businesses across the country.

Economic growth and environmental protection go hand in hand. We should say to business: if you can meet tough pollution goals, we will let you figure out how to do it in the cheapest, most efficient way. We will give communities the right-to-know what toxic chemicals are being released into their neighborhood, by expanding our pollution disclosure order. And we will launch a "brownfields initiative" to waive the rules and call off the lawyers for businesses that develop abandoned industrial sites.

And if we honor work, then work must pay. Two and a half million Americans -- many of them women with children -- earn the minimum wage, and it is at a 40 year low. A year ago, I called on Congress to raise the minimum wage. Since then, the value of the minimum wage has dropped $250 -- while Congress' pay has gone up [x]. That's wrong. Congress should increase the minimum wage.

We will all be stronger the more our companies invest in the long term and treat their workers like their most valuable asset. Last month, the Malden Mills factory in Massachusetts burned to the ground, taking 2400 jobs with it. The mill's owner could have cut his losses and left his workers behind. That's not what he did. Here's what he said at the time -- quote: "I don't consider the workers an expense that can be cut. I know in the long run that what I'm doing today will come back tenfold." His name is Aaron Fuerstein, and he is with us tonight. We salute him; and pledge to learn from his example. [*Mr Fuerstein will be in the First Lady's box.*]

Fifth, to renew the American dream of opportunity for all, I challenge parents, teachers and students -- and business and community leaders -- to join a national mission to renew our public schools for the challenges of the 21st century.

Our best economic strategy is also our best opportunity strategy.

America was the first nation to believe that every child deserves an education. For two hundred years, the public schools raised up generation after generation, and taught us what it meant to be an American. They have opened the world of math and science and poetry and history to the sons of farmers and the daughters of factory workers. Next year there will be more young Americans in school than ever before. Yet today, our schools are not ready for the new era. Our schools have low standards, dilapidated and crowded classrooms, and only chalkboards in the age of the microchip.

To make our school succeed at this moment of change, tonight I propose a four part challenge to renew every level of education in America for the new century.

We must raise our sights. We should insist that every teacher meet basic competency standards . . . that every student meet national standards of excellence . . . that every parent take responsibility for their children . . . and that every school be held accountable for results.

Every state should give parents the right to choose their child's public school. And if the idea of choice in public schools is to be real, we must give parents and teachers the right to start better public schools -- charter schools -- if the current ones do not work.

We must recognize that technological literacy is now as important as learning to read, write, and do math. Our goal is clear: when we walk into any school in the 21st century -- five years from now -- we should see every classroom connected to the outside world . . . a cutting-edge computer accessible to every student . . . and teachers with the skills and the software to make technology as exciting in the classroom as it is in the video arcade. Tens of millions of parents have watched their children play every video game from Mortal Kombat to Killer Instinct. From now on, the most important computer game in America must be learning.

Tonight I challenge educators, scientists and business leaders to join in connecting the schools and prepare our people for the future. If a company or community is willing to donate money to put new computers in the schools, we will match that donation dollar for dollar. (*policy decision needs to be made*)

It is not enough to make our public schools the best in the world. We must make it easier for deserving Americans to go to college. We have already made it easier for people to pay back their college loans.

And last year, I asked the Congress to make $10,000 of college tuition costs tax deductible. If businesses can deduct the cost of their equipment, then families should be able to deduct the cost of a college education.

Tonight, I propose two more steps to open the doors of college for people who are willing to work hard and excel. First, a $2000 merit scholarship for the top 2% of graduating students in every secondary school in America. Second, a dramatic expansion of college work-study, so that 1 million young Americans will be working their way through college by the Year 2000. (ck)

Higher standards. Public school choice. Technology in the classroom. And an aggressive strategy to open wider the doors of college. That is my education challenge. Because when our schools succeed, America succeeds.

America's eighth and perhaps most important, challenge is this: to live up to our values, and restore a sense of right and wrong, in our daily lives. I challenge Americans in all walks of life to reach within themselves and find a new sense of personal responsibility.

As Americans, we more than any people on earth should recognize the truth of the Gospel: "To whom much is given, from them much is required." We need a rebirth of ethics, of values, of the moral code that this country was built on. Only if we share a community of values, can we value community.

Throughout our history, Americans have always joined together as neighbors and citizens to build strong communities and a strong country. We need that spirit more than ever today.

That means:

- We in this chamber should give the government back to the people. In the past year, we have already applied to Congress the laws that apply to America, banned gifts and meals from lobbyists to lawmakers, and forced the lobbyists to fully disclose who they are working for, what they are spending, and what bills they are trying to pass or kill. But we all know that special interests give too much money in political campaigns. And we should all take personal responsibility for changing it. There is a strong, bipartisan campaign finance reform bill, waiting for action. Let's pass it without delay.

- We must challenge our young people not to get pregnant or father a child until they are ready. Tonight, I am pleased to announce that a group of prominent Americans have answered this call, and are forming a new national organization to enlist the media, business and communities to help our young people do the right thing.

- I believe in a woman's right to choose an abortion. Some people deeply disagree. But I challenge people on both sides of the abortion divide to find common ground. At the very least, let us do what we can to encourage adoption, and unite the hundreds of thousands of eligible parents who want a child with the thousands (ck) of babies who need a loving home.

- We must challenge every father to take responsibility for his children. Spend time with your child, love your child, and take an interest in your child's daily life. And if you owe child support, pay it. Your child needs you. You cannot walk away.

- We must challenge those who produce and market cigarettes to take responsibility for your actions. Sell your products to adults, if you wish. But draw the line on children.

- All of us working together must find a way to do something about violence and sex on TV. We must challenge the media to put more education and less sex and violence on TV. And challenge parents to turn off the set if they don't.

- We must challenge every citizen to give something back to their community through service. I am proud of what the national service program, AmeriCorps, has done to put 25,000 young people to work in communities -- raising reading scores, pulling

garbage out of rivers, helping police shut down crack houses. But we shouldn't stop there. Every American has something to contribute -- from volunteering at an AIDS clinic to adopting a child. And let me issue a special summons to our nation's seniors, who have the time and the wisdom to teach us all: let your retirement years be a season of service.

And let me say this above all: Every one of us faces a challenge to seek common ground with our fellow Americans -- to reach out beyond our differences, both because it is the right thing to do, and because it is the way we will meet every one of our other challenges as we enter a new century.

Conclusion/Olympic torchbearers

That is what we will see this summer in Atlanta, when we are hosts to the centennial of the modern Olympics. I am not just talking of our athletes, who show us all how to work hard to make our dreams come true. I also mean the shared effort of the entire community of Atlanta -- the City Too Busy to Hate. One community, pulling together. That is what's right with America.

But there is another group of Americans I want to call your attention to tonight. They are the ones who will hold high the Olympic torch and carry it on its path across America, from Los Angeles, across mountains, concrete canyons, unbroken desert and lush farmland. They will even carry the torch across the White House lawn, and I'll be there to greet them.

These are not celebrities or heroic athletes, but they are heroes nonetheless. Thousands of them are being selected because they are community heroes -- Americans who have used their energies to make our world better, one community at a time. Most of these people will be announced next month. But I am proud to say that the first three of them have been chosen so they can be here with us tonight. [insert on two or three heroes]

Let us strive to be like these everyday champions. They show us a different kind of strength and endurance and a lot of heart. They show us that if we each do our part, we are sure to reach our destination. Together. And when we do, we will know the joy of a special victory -- where every American has a chance to win.

We are going to show the world this summer what happens when America pulls together. And I believe, my fellow Americans, we are going to show it time and time again in the century that lies ahead. That is, and forever will be, America's challenge.